

# **HB 176-TRPM- Insured Party-Electronic Notification**

Uploaded by: Andrea Mansfield

Position: FAV



## Towing & Recovery Professionals of Maryland

P.O Box 905 \* Huntingtown, Maryland 20639

410-414-5406 \* 1-800-244-0102 \* Fax 410-414-5408

### MEMORANDUM

TO: The Honorable Marc Korman, Chair and Members of the Environment and Transportation Committee

FROM: Ted Dent, President, Towing & Recovery Professionals of Maryland  
Vince Flook, 1<sup>st</sup> Vice President, Towing & Recovery Professionals of Maryland

DATE: February 8, 2024

RE: **HB 176 Vehicle Towing or Removal – Insurer of Record - Electronic Notification**

POSITION: **SUPPORT**

The Towing Recovery Professionals of Maryland (TRPM) SUPPORT HB 176. This bill would allow a towing company to notify the insurer of record about the towing or removal of a vehicle from a parking lot electronically if the electronic notification is agreed to by the insurer.

The Committee may remember similar bills from the past two sessions to allow a tower or a police department to notify a secured party/lien holder electronically when a vehicle is towed from a parking lot if agreed to by the parties. This has significantly streamlined the process for those entities using it and allows matters to be resolved more quickly when a vehicle is not claimed.

HB 176 is establishing this same process for the notification of an insurer of record when a vehicle is towed from a parking lot. Currently, a towing company is required to notify the insurer of record by certified mail, return receipt requested, and first-class mail within 7 days. This process is followed to provide proper notification to all parties to reclaim the vehicle. Should the owner/secured party/insurance company not claim the vehicle, the owner/secured party/insurance company is then agreeing to relinquish any rights to the vehicle which would allow the towing company to seek a CS-78 from a law enforcement agency to transfer the vehicle to a licensed automotive & dismantler recycler. HB 176 streamlines this notification process for the insurer of record and aligns the electronic notification process with that of the secured party and lien holder.

Most transactions these days can be managed electronically, from the purchasing of a home, securing a loan, and submitting applications. Providing for electronic notification of insurers of record, as well as the secured parties in previous legislation, saves money on behalf of the towing company and will resolve matters concerning abandoned vehicles more quickly should a vehicle not be claimed.

For these reasons, TRPM SUPPORTS HB 176 and urges a FAVORABLE Committee report.

# **Final Written Testimony HB 176--electronic notific**

Uploaded by: Linda Foley

Position: FAV

Linda Foley  
*Legislative District 15*  
Montgomery County

---

Environment and Transportation  
Committee

The Maryland House of  
Delegates  
6 Bladen Street, Room 220  
Annapolis, Maryland 21401  
410-841-3052 • 301-858-3052  
800-492-7122 Ext. 3052  
Linda.Foley@house.state.md.us

## THE MARYLAND HOUSE OF DELEGATES

**Testimony:** HB 176, Vehicle Towing or Removal—Insurer of Record—Electronic Notification

**Committee:** Environment and Transportation

**Hearing Date:** February 8, 2024

**Position:** FAV

HB 176 is the third in a series of bills that give towing companies and their customers the option to receive required notices by electronic delivery. The bill allows a towing company to notify the insurer of record about the towing or removal of a vehicle from a parking lot electronically if the electronic notification is agreed to by the insurer.

Two previously adopted bills allow a tower or a police department to notify a secured party/lien holder electronically when a vehicle is towed from a parking lot if the electronic notification is agreed to by the parties. This has significantly streamlined the process for those entities using it and allows matters to be resolved more quickly when a vehicle is not claimed.

HB 176 is establishing this same process for the notification of an insurer of record when a vehicle is towed from a parking lot. Currently, a towing company is required to notify the insurer of record by certified mail, return receipt requested, and first-class mail within 7 days. The process necessary in order to provide proper notification to all parties for reclamation of the vehicle. Should the owner/secured party/insurance company not claim the vehicle, the owner/secured party/insurance company is then agreeing to relinquish any rights to the vehicle which would allow the towing company to seek a CS-78 from a law enforcement agency to transfer the vehicle to a licensed automotive & dismantler recycler. HB 176 streamlines this notification process for the insurer of record and aligns the electronic notification process with that of the secured party and lien holder.

This is a very simple bill that makes sense and benefits all parties involved in these transactions. I urge a favorable report.

