Mary-Dulany James
Legislative District 34
Harford County

Judicial Proceedings Committee

Executive Nominations Committee

Children, Youth, and Families

Senate Chair

Joint Committee on



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THE SENATE OF MARYLAND ANNAPOLIS, MARYLAND 21401

Testimony of Senator Mary-Dulany James In Favor of <u>SB 883 – Post-Towing Procedure Workgroup - Establishment</u> Before the House Environment and Transportation Committee

Dear Chair Korman, Vice Chair Boyce, and members of the Committee,

Senate Bill 883 as introduced created a statutory possessory lien on motor vehicles that are lawfully towed from private parking lots pursuant to a contract between a towing company and a lot owner.

Please see the Testimony of Senator James in favor of SB 883. (Attachment A)

After discussions with the Consumer Protection Division of the Office of Attorney General, an organization representing towing companies, lobbyists representing several different individual towing companies in several different jurisdictions of the State, and a representative of Montgomery County, it was agreed that a workgroup should be formed. The workgroup will be charged with consulting the stakeholders from around the State and identifying post-towing procedures that are currently in place and whether there are gaps in these procedures. The workgroup will then be tasked with formulating what measures, if any, need to be in place in order for there to be due process and a legally enforceable possessory or statutory lien as part of the post towing process.

As the original testimony to the bill as initially introduced, an ever growing number of states all across the country have codified the existence of a possessory lien on towed vehicles. The testimony also referenced several Maryland opinions that have held either that an implied agreement or implied lien between the vehicle owner and the towing company exists whenever the owner agrees to pay the towing and storage charges.

See eg. Glenn Cade T/A G & G Towing, et al v. Montgomery County, Maryland 83 Md App. 419 575 A 20 744 (1990) (Attachment B) and T.R. Ltd. v. Lee, Maryland 55 Md. App. 629 465 A.2d 1186 (1983) (Attachment C) that a statutory lien can be created under the proper circumstances, including an opportunity after the tow to be heard if claiming that the tow was unlawful.

Please see the 1988 Office of Attorney General Opinion (Attachment D).

Thank you for your consideration of Senate Bill 883, and I ask that the committee issue a favorable report.

Respectfully,

Senator Mary-Dulany James