



Testimony to the Senate Judicial Proceedings Committee
SB883 Post-Towing Procedure Workgroup-Establishment
Position: Unfavorable

April 1 2025

The Honorable Mark Korman, Chair
Room 250, House Office Building
Annapolis, Maryland 21401
cc: Members, Environment and Transportation Committee

Chair Korman and Members of the Committee:

Economic Action Maryland (formerly the Maryland Consumer Rights Coalition) is a statewide coalition of individuals and organizations that advances economic rights and equity for Maryland families through research, education, direct service, and advocacy. Our 12,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland.

As amended, SB883 establishes a workgroup to discuss post-towing procedures.

We oppose the establishment of this workgroup for the following reasons:

- **It is not needed.** Non-consensual towing liens are not only illegal in Maryland, but also bad for consumers. Maryland courts have consistently found that a possessory lien does not exist for a towed vehicle¹.
- **It is bad public policy which harms consumers.** Courts and the Office of the Attorney General agree that allowing towing companies to exercise lien creates perverse incentives; unscrupulous actors are likely to tow more vehicles since payment is guaranteed, regardless of whether the tow is proper or not. To provide these kinds of tows in a way that does not violate the constitution would be prohibitively expensive for Maryland counties at a time when local jurisdictions are already under tremendous financial strain.

However, should the General Assembly move forward with a Workgroup, we propose two amendments to ensure the workgroup is fair and balanced in its deliberations:

¹ *T.R. v. Lee*, 55 Md. App. 629 (1983); *Cade, t/a G&G Towing v. Montgomery County*, 83 Md. App. 419, 427 (1990)

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- Revise the mandate of the workgroup. As amended, the workgroup is charged to find a way to establish possessory liens rather than to deliberate the issue more comprehensively. We suggest amending the bill as follows:
 - On page 3, line 19 (f) (1)
 - At the beginning of line 20 ADD CONSIDER WHETHER IT IS NECESSARY, APPROPRIATE AND IN THE PUBLIC INTEREST TO ESTABLISH
 - On line 21, ~~STRIKE in accordance with Title 21, Subtitle 10A of the 22 Transportation Article.~~ and instead ADD THE COSTS AND RESOURCES NECESSARY TO SATISFY THE COSTS OF DUE PROCESS IF SUCH A LIEN IS ESTABLISHED; AND THE FISCAL IMPACT ON MARYLAND'S COUNTIES.
 - on line 28 ADD (3) THE WORKGROUP IS NOT UNDER ANY PRESUMPTION THAT A STATUTORY LIEN IS NECESSARY, APPROPRIATE, OR IN THE PUBLIC INTEREST.
 - On page 3, after line 3 ADD
 - four consumer protection organizations working at the county level or statewide

Best,

Marceline White
Executive Director

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