



Towing & Recovery Professionals of Maryland

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MEMORANDUM

TO: The Honorable William C. Smith, Jr., Chair and Members of the Judicial Proceedings Committee

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

DATE: January 22, 2025

RE: **SB 40 Vehicle Laws - Towed, Removed, or Abandoned Vehicles - Electronic Notice to Owner**

POSITION: **SUPPORT**

The Towing Recovery Professionals of Maryland (TRPM) SUPPORT SB 40. This bill would allow a towing company to notify the owner of a towed vehicle electronically if the Motor Vehicle Administration (MVA) sends the notice. The bill provides for additional protections for the vehicle owner by requiring notification by certified mail, return receipt requested, and first-class mail if the owner does not respond within 7 days.

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 and insurers of record 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.

SB 40 establishes a similar process for the notification of a vehicle owner when a vehicle is towed from a parking lot. Currently, a towing company is required to notify the vehicle owner 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. SB 40 streamlines this notification process for the vehicle owner in a similar manner to that of the electronic notification process with that of the secured party and lien holder.

During the interim, TRPM worked with MVA to determine the best process for notifying vehicle owners electronically. To protect a vehicle owner's email address and provide owner protections, it was agreed that MVA would send the notice using the email address the owner provided to it and mailed notification would still be required if the vehicle owner did not respond within 7 days.

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 vehicle owners, as well as insurers of record and secured parties in previous legislation, saves money on behalf of the towing industry and will resolve matters concerning abandoned vehicles more quickly should a vehicle not be claimed.

For these reasons, TRPM SUPPORTS SB 40 and urges a FAVORABLE Committee report.