HOUSE BILL 191

R75lr1222 **CF SB 40** (PRE-FILED) By: Delegate Foley Requested: October 15, 2024 Introduced and read first time: January 8, 2025 Assigned to: Environment and Transportation Committee Report: Favorable House action: Adopted Read second time: February 11, 2025 CHAPTER AN ACT concerning Vehicle Laws - Towed, Removed, or Abandoned Vehicles - Electronic Notice to Owner FOR the purpose of authorizing a person who tows or removes a vehicle from a parking lot to provide electronic notice of the tow or removal to the vehicle owner through the Motor Vehicle Administration under certain circumstances: authorizing a police department that takes an abandoned vehicle into custody to send an electronic notice to the last known registered owner of the vehicle through the Administration under certain circumstances; and generally relating to the electronic notice to vehicle owners for towed, removed, or abandoned vehicles. BY repealing and reenacting, with amendments, Article – Transportation Section 21–10A–04, 25–204, and 25–205 Annotated Code of Maryland (2020 Replacement Volume and 2024 Supplement) SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

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21-10A-04.

Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Article - Transportation



- 1 Unless otherwise set by local law, a person who undertakes the towing or 2 removal of a vehicle from a parking lot: 3 May not charge the owner of the vehicle, the owner's agent, the insurer of record, or any secured party more than: 4 5 Twice the amount of the total fees normally charged or 6 authorized by the political subdivision for the public safety impound towing of vehicles; 7 Notwithstanding § 16–207(f)(1) of the Commercial Law Article, 8 the fee normally charged or authorized by the political subdivision from which the vehicle 9 was towed for the daily storage of impounded vehicles; 10 If a political subdivision does not establish a fee limit for the public safety towing, recovery, or storage of impounded vehicles, \$250 for towing and 11 12 recovering a vehicle and \$30 per day for vehicle storage; and 13 Subject to subsection (b) of this section, the actual cost of (iv) 14 providing notice under this section; Shall notify the police department in the jurisdiction where the parking 15 lot is located within 1 hour after towing or removing the vehicle from the parking lot, and 16 shall provide the following information: 17 18 A description of the vehicle including the vehicle's registration (i) plate number and vehicle identification number; 19 20 (ii) The date and time the vehicle was towed or removed; 21 The reason the vehicle was towed or removed; and (iii) 22The locations from which and to which the vehicle was towed or (iv) 23removed; [Shall] SUBJECT TO ITEMS (II) AND (III) OF THIS ITEM, 24(3)(i) 25SHALL notify the owner and [, except as provided in item (ii) of this item,] the insurer of 26 record and any secured party by certified mail, return receipt requested, and first-class 27mail within 7 days, exclusive of days that the towing business is closed, after towing or 28 removing the vehicle, and shall provide the same information required in a notice to a police 29 department under item (2) of this subsection; [and]
- 30 (II) MAY PROVIDE NOTICE REQUIRED UNDER ITEM (I) OF THIS 31 ITEM TO THE OWNER ELECTRONICALLY THROUGH THE ADMINISTRATION IF:

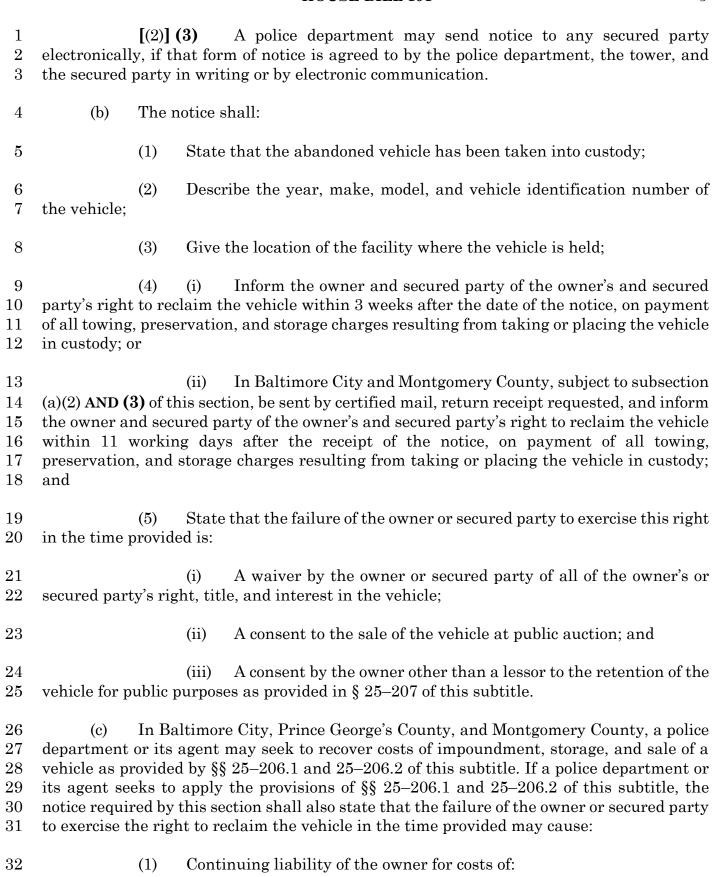
1	1. The Administration sends the notice to the
2	OWNER USING THE E-MAIL ADDRESS THE OWNER PROVIDED TO THE
3	ADMINISTRATION, AS SHOWN IN THE ADMINISTRATION'S RECORDS; AND
4	2. The tower sends a notice by certified mail,
5	RETURN RECEIPT REQUESTED, AND FIRST-CLASS MAIL, TO THE OWNER IF THE
6	OWNER DOES NOT RESPOND WITHIN 7 DAYS AFTER THE ELECTRONIC NOTICE WAS
7	SENT BY THE ADMINISTRATION; AND
8 9 10 11	[(ii)] (III) May provide notice required under item (i) of this item to any secured party or insurer of record electronically, if that form of notice is agreed to by the tower and the secured party or insurer of record in writing or by electronic communication;
12 13	(4) Shall provide to the owner, any secured party, and the insurer of record the itemized actual costs of providing notice under this section;
14 15	(5) Before towing or removing the vehicle, shall have authorization of the parking lot owner which shall include:
16	(i) The name of the person authorizing the tow or removal;
17 18	(ii) A statement that the vehicle is being towed or removed at the request of the parking lot owner; and
19 20	(iii) Photographic evidence of the violation or event that precipitated the towing of the vehicle;
21 22 23	(6) Shall obtain commercial liability insurance in the amount required by federal law for transporting property in interstate or foreign commerce to cover the cost of any damage to the vehicle resulting from the person's negligence;
24 25 26	(7) May not employ or otherwise compensate individuals, commonly referred to as "spotters", whose primary task is to report the presence of unauthorized parked vehicles for the purposes of towing or removal, and impounding;
27 28	(8) May not pay any remuneration to the owner, agent, or employee of the parking lot; and
29 30	(9) May not tow a vehicle solely for a violation of failure to display a valid current registration under § 13–411 of this article until 72 hours after a notice of violation

32 (b) A person may not charge for the actual cost of providing notice under 33 subsection (a)(1)(iv) of this section if the vehicle owner, the owner's agent, the insurer of

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is placed on the vehicle.

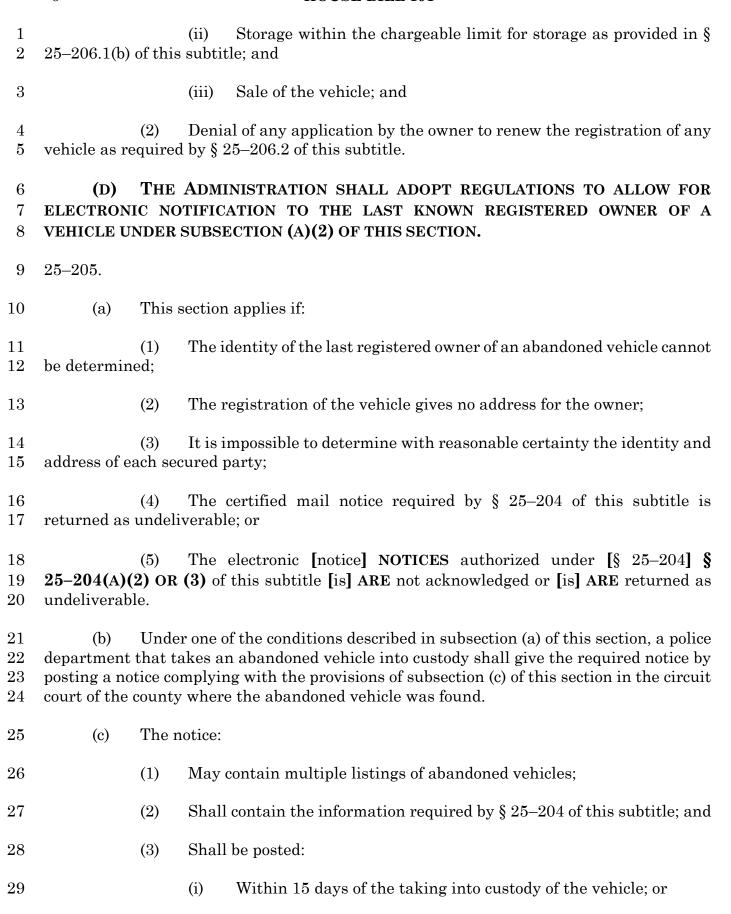
- record, or any secured party retakes possession of the vehicle within 48 hours after the vehicle was received at the storage facility.
- 3 (c) The Administration shall:
- 4 (1) ADOPT REGULATIONS TO ALLOW FOR ELECTRONIC NOTIFICATION 5 TO VEHICLE OWNERS UNDER SUBSECTION (A)(3)(II) OF THIS SECTION;
- 6 **(2)** Establish and maintain a database containing the proper address for providing notice to an insurer under subsection **[(a)(3)] (A)(3)(III)** of this section for each insurer authorized to write a vehicle liability insurance policy in the State; and
- 9 [(2)] (3) Make the database REQUIRED UNDER ITEM (2) OF THIS 10 SUBSECTION available to any tower free of charge.
- 11 (d) An agreement to provide notice electronically made in accordance with subsection [(a)(3)(ii)] (A)(3)(III) of this section shall remain in effect until terminated by either party.
- 14 25–204.
- 15 (a) (1) As soon as reasonably possible and within 7 days at most after it takes 16 an abandoned vehicle into custody, a police department shall send a notice, by certified 17 mail, return receipt requested, bearing a postmark from the United States Postal Service, 18 to:
- 19 (i) [The] SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, 20 THE last known registered owner of the vehicle; and
- 21 (ii) Subject to paragraph [(2)] (3) of this subsection, each secured 22 party, as shown on the records of the Administration.
- 23 (2) A POLICE DEPARTMENT MAY NOTIFY THE LAST KNOWN 24 REGISTERED OWNER ELECTRONICALLY THROUGH THE ADMINISTRATION IF:
- 25 (I) THE ADMINISTRATION SENDS THE NOTICE TO THE OWNER 26 USING THE E-MAIL ADDRESS THE OWNER PROVIDED TO THE ADMINISTRATION, AS 27 SHOWN IN THE RECORDS OF THE ADMINISTRATION; AND
- 28 (II) THE POLICE DEPARTMENT SENDS THE OWNER NOTICE BY
 29 CERTIFIED MAIL, RETURN RECEIPT REQUESTED, AND FIRST-CLASS MAIL, IF THE
 30 OWNER DOES NOT RESPOND WITHIN 7 DAYS AFTER THE ELECTRONIC NOTICE WAS
 31 SENT BY THE ADMINISTRATION.



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(i)

Impoundment;



(ii) If the notice by posting under this section is made because of the return as undeliverable of a prior notice by certified mail, return receipt requested, bearing a postmark from the United States Postal Service, within 7 days of the return of that prior notice.
SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2025.
Approved:
Governor.
Speaker of the House of Delegates.
President of the Senate.