

MEMORANDUM

November 1, 2011

TO: Public Safety Committee

FROM: Susan J. Farag, Legislative Analyst 

SUBJECT: Executive Regulation No. 15-11, *Maximum Rates for Motor Vehicle Towing from Private Property*

Today the Committee will consider the Executive's proposed amendments to Chapter 30C-2 of the Montgomery County Code, which regulates the towing of vehicles from private property (trespass towing).

The Executive's transmittal memorandum says that the regulation was advertised in the August 1, 2001 issue of the Montgomery County Register. One comment was received, which expressed concern over the County's low rates as compared to surrounding jurisdictions.

The Executive's transmittal memorandum is on © 1, and a fiscal impact statement is on © 2. The one public comment received is attached on © 3-4. A clean copy of the proposed regulation as submitted by the Executive is included on © 5-10; the bracketed and underlined copy is included on © 11-16. Information gathered from other local jurisdictions on their towing rates is also attached on © 17-24.

BACKGROUND

Trespass towing rates were last raised in 2008. At that time, the County Executive provided for an overall rate increase of approximately 12%. The rate change resulted in an increase in the average cost of a trespass tow from \$127 to \$142. The Office of Consumer Protection reviewed the rates again in 2010. At that time the Executive did not propose any rate changes to the rates enacted in 2008.

PROPOSED CHANGES

In response to a request from Council Vice President Berliner, OCP conducted an expedited towing rate review this year. Based on the expedited review, OCP recommended that the Executive increase storage charges by \$10.00 for the first 24 hours across all three weight classes. This change would increase the average trespass towing cost from \$142 to \$152 per tow, an increase of approximately 7%. The following chart illustrates average towing costs in surrounding jurisdictions.

Jurisdiction	Hookup	Mileage	Storage	Other Fees	Total
Montgomery	\$100	\$32 (8 miles @ \$4/mile)	\$20		\$152
Fairfax	\$50	\$0	\$25	\$15 if picked up after normal business hours	\$75 - \$90
Arlington	\$115	\$0	\$0		\$115
Alexandria	\$75	\$0	\$0	\$10 if picked up between 7 pm and 8am	\$75 - \$85
Falls Church	\$100	\$0	\$0		\$100
Howard	\$125	\$0	\$12.50	\$15 additional if dolly or flatbed used	\$137.50
Prince George's	\$175	\$0	\$0		\$175
City of Frederick	\$200	\$0	\$0		\$200

With or without the proposed changes to storage fees, an average trespass towing rate in Montgomery County is higher than an average towing rate in Fairfax, Arlington, Alexandria, and Falls Church. It is lower than Howard and Prince George's counties, and the City of Frederick.

The fiscal impact statement submitted by the Office of Management and Budget indicates that there is no fiscal impact on the County; however, there would be an economic impact of increased revenues to towing service companies (© 2). Based on an estimated 34,536 trespass tows per year, towing companies could gain \$345,360 in additional revenues.

DISCUSSION ISSUES

1) Section 30C-2 of the County Code requires the County to set "fair and reasonable" maximum rates for trespass towing. The Executive's transmittal memo indicates that there are various economic factors, such as the limited availability of vehicle storage lots in the County, and the costs of leasing and insuring such property, that make it necessary to increase the storage fees through regulation. In OCP's April 25 memo (© 17-24), OCP indicated that it also surveyed local towing companies to see how much they charge for a consumer request to tow a broken-down vehicle. These charges ranged from \$75-85 for hookup, and \$2 to \$4.50 per mile. All of these rates are lower than what the County sets as maximum for trespass tows. The Committee may wish to discuss with OCP how the storage fee increase was determined.

2) The Committee may wish to ask whether the increase in storage fees will increase the number of consumer complaints handled by OCP.

EXEC REG



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SJF
CC
SBF
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JG

OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

MEMORANDUM

Isiah Leggett
County Executive

October 4, 2011

TO: Valerie Ervin, President
Montgomery County Council Method 2

FROM: Isiah Leggett, County Executive *[Signature]*

SUBJECT: Executive Regulation 15-11
Maximum Rates for Motor Vehicle Towing From Private Property

RECEIVED
MONTGOMERY COUNTY
COUNCIL

OCT - 5 AM 9:01

The purpose of this memo is to transmit Executive Regulation 15-11 Maximum Rates for Motor Vehicle Towing from Private Property to the County Council. This regulation is being promulgated by the Office of Consumer Protection under Method 2 of Section 2a-15 of the Montgomery County Code. The Executive Regulation was advertised in the August 1, 2011, Montgomery County Register. The Office of Consumer Protection received one comment which is attached. No changes were made due to the comment received.

Section 30C-2 of the Montgomery County Code directs us to set "fair and reasonable" maximum rates for the acts involved in trespass towing. Given the current economic factors, such as the limited availability vehicle storage lots in the County and the costs of leasing and insuring such property, it is necessary in the public interest to increase these fees through this regulation. The change raises the storage fee for the first 24 hours of storage across all three weight classes of vehicles by \$10.00. The chart below shows the fee changes:

Vehicle Weight Class	Old Regulation First 24 Hours Storage	New Regulation First 24 Hours Storage
8000 lbs or less GVWR	\$10	\$20
8001 to 20,000 lbs GVWR	\$15	\$25
Over 20,000 lbs	\$30	\$40

If you have any questions or would like additional information, please feel free to contact Mr. Eric Friedman, Director, Office of Consumer Protection, at 240-777-3719.

IL:sh

Attachment

①

MEMORANDUM

June 28, 2011

TO: Joseph F. Beach, Director
Office of Management and Budget

VIA: Angela Dizelos, Management and Budget Manager, OMB

VIA: John Cuff, Management and Budget Specialist, OMB *for*

FROM: Melissa King, Management and Budget Specialist, OMB

SUBJECT: Executive Regulation 15-11, Maximum Rates for Motor Vehicle Towing From Private Property

REGULATION SUMMARY

The change raises the storage fee for the first 24 hours of storage across all three weight classes of vehicles by \$10.00. The chart below shows the fee changes:

Vehicle Weight Class	Old Regulation - 1 st 24 hrs Storage	New Regulation - 1 st 24 hrs Storage
8000 lbs or less GVWR	\$10	\$20
8001 to 20,000 lbs GVWR	\$15	\$25
Over 20,000 lbs	\$30	\$40

FISCAL SUMMARY

The Office of Consumer Protection revised the executive regulation and reported there is no fiscal impact to the County because the towing service would charge the towing fees directly to the vehicle owners. However, there would be an economic impact of increased revenues to towing service companies. Based on an estimated 34,536 trespass tows per year, additional revenues to tow companies are estimated at \$345,360.00.

Marsha Carter of the Office of Consumer Protection and Mike Coveyou of the Department of Finance contributed to and concurred with this analysis.

jfb:rdn

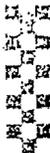
cc: Kathleen Boucher, Assistant Chief Administrative Officer
Eric Friedman, OCP
Marsha Carter, OCP
John Cuff, OMB
Mike Coveyou, FIN

OMB REVIEW

Fiscal Impact Statement approved *Joseph F. Beach*
OMB Director

Fiscal Impact Statement not approved, OMB will contact department to remedy.

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CONSUMER PROTECTION

Authorized Towing
9501 Georgia Avenue
Silver Spring, MD 20910

AUG 27 2011

RECEIVED

08/27/2011

Re: 30-C Changes

Dear Mr. Numbers,

Thank you for the notification regarding proposed changes to Regulation 30-C.

I have several concerns and questions that pertain to this law. First of which is the initial price structure of a private property or "trespass" tow. After exploration of the surrounding counties rate schedules, Montgomery County falls far short of the average. Some Municipalities charge as much as Five Hundred Dollars. Most are a fixed fee for the tow, mileage to storage facility and first day storage. This option makes complete sense in many ways. As you well know, you office deals with mileage and storage complaints on a daily basis. A fixed price would allow you office to pursue addition complaints in a timely fashion.

Prince George's County has transitioned to the fixed price schedule with much success. The price for a private property tow is \$ 175.00 including the tow, mileage and first day storage. I think a fixed price would alleviate many concerns and complaints.

I operate towing companies in three counties. My costs in Montgomery County are three times higher than the other neighboring counties. The main cost difference is available/approved storage space. Very little space is available in this county and prices are at a premium! The need for a more competitive rate is imperative.

The second item is an extreme safety concern. The requirement of the driver to call the police to report the impound *PRIOR* to leaving the property is not only dangerous to our drivers and equipment, but also the citizens. On many, many occasions I have waited as long as five minutes for a live operator to take the necessary information. On one occasion my equipment was damaged by an angry citizen. To make matters worse, it was not his car! He went to jail; I picked glass out of my face, and lost a night of work and \$420.00 for a new window. While I understand the importance of timely reporting of the tow, this is the only county that requires reporting prior to leaving the location of the tow. A quick Google search will provide you with all the supporting evidence needed to support the danger involved. During the recent earthquake, I did not have cell service for 25-30 minutes. I could have been killed! In my humble opinion, Montgomery County is leaving itself wide open for a lawsuit.

The sign requirements in our county are beyond inadequate. A 12 X 18 sign is nowhere near large enough to notify a citizen of parking infractions. A sign 18 x 24 is the preferred size. If you put the two side by side, the difference is amazing. Included on the signs, should be the cost of the tow, the address of the storage facility and should contain reflective material to notify citizens in low light, or dark conditions. This should be a mandatory signage requirement.

(3)

Trespass towing not requiring a signature should begin in the 11pm hour. Most counties start between 9 pm and 11 pm. You will not find another county that starts after midnight let alone 2 am! This is far from reasonable.

The final topic, much like the sign topic will not be a popular one with other towing companies. All towing companies performing trespass tows should be required to be open for business 24 hours a day seven days a week. The current regulation for this is completely ignored and abused on a daily basis.

Please consider the fairness and safety of the regulation you are considering changing. If you have any questions or concerns please feel free to contact me at any time.

With Kind Regards,


Rick Chambers



MONTGOMERY COUNTY EXECUTIVE REGULATION

COPY

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject	Maximum Rates For Motor Vehicle Towing From Private Property	Number	15-11
Originating Department	Office of Consumer Protection	Effective Date	

Montgomery County Regulation on:

MAXIMUM RATES FOR MOTOR VEHICLE TOWING FROM PRIVATE PROPERTY

OFFICE OF CONSUMER PROTECTION

Issued By: County Executive
Regulation No. 15-11

Authority: Code Section: 30C-2
Council Review: Method 2 under Code Section 2A-15
Register Vol. 28 Issue 8

Comment Deadline: September 1, 2011
Sunset Date: None
Supersedes: Executive Regulation 2-08

SUMMARY: This regulation revises the maximum rates that a trespass towing service may charge when towing a motor vehicle from private property without the consent of the owner.

ADDRESS: Copies of the regulation may be obtained from the Office of Consumer Protection, 100 Maryland Avenue, Suite 330, Rockville, MD 20850

STAFF CONTACT: Investigator Douglas Numbers, telephone number 240-777-3636

BACKGROUND INFORMATION: Chapter 30C of the Montgomery County Code regulates the towing of vehicles from private property. Section 30C-2 requires that the County Executive establish by regulation the maximum rates that a towing service may charge when towing a motor vehicle from private property without the consent of the owner. This regulation revises those rates.

SECTION 1. DEFINITIONS. The terms used in the regulation have the same meaning as in Chapter 30C, Montgomery County Code. Each piece of a tractor trailer combination is considered to be a vehicle when a towing service tows both pieces.



MONTGOMERY COUNTY EXECUTIVE REGULATION

COPY

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Subject	Maximum Rates For Motor Vehicle Towing From Private Property	Number	15-11
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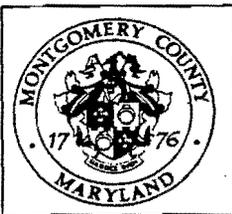
SECTION 2. LIMITATIONS ON SCOPE. This regulation does not apply to the following:

- (a) Towing initiated by the vehicle owner;
- (b) Towing approved or requested by a police officer, firefighter, or rescue squad member in the course of duty or under the state law on abandoned vehicles; or
- (c) Towing a motor vehicle while repossessing it.

SECTION 3. MAXIMUM TOWING RATES. When towing a motor vehicle from private property without the consent of the owner, a towing service must not charge more than the following rates:

- (a) for vehicles with a gross vehicle weight rating of 8,000 pounds or less:
 - (1) for attaching the vehicle to be towed to the tow truck; including any other service needed to safely remove the vehicle (such as unlocking, disconnecting and reconnecting the driveshaft, securing the steering wheel, dollying, flatbedding, or use of go-jacks) - \$100.00.
 - (2) for towing the vehicle to a storage site - \$4.00 per mile for the distance the vehicle is actually and reasonably towed to the nearest storage site available to the towing service in Montgomery County. Fractions of one-half mile or less must not be charged. Fractions greater than one-half mile may be charged as one mile. The mileage charges must not exceed twelve miles. The receipt that must be furnished the vehicle owner in accordance with Montgomery County Code Section 30C-8(e) must list the tow truck's odometer readings when the vehicle is attached and when it reaches the storage site.

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MONTGOMERY COUNTY EXECUTIVE REGULATION

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Subject Maximum Rates For Motor Vehicle Towing From Private Property	Number 15-11
Originating Department Office of Consumer Protection	Effective Date

- (3) for storing the vehicle until it is redeemed - \$20.00 for the first 24-hour time period, or portion thereof, the vehicle remains in the custody of the towing service, and \$25.00 for each additional 24-hour time period, or portion thereof.

For the purposes of this subsection, a towing service does not have custody of the vehicle until the vehicle actually reaches the storage site or the property owner or owner's agent notifies the police department of the towing of the vehicle and provides the information required by Montgomery County Code Section 30C-5(a), whichever is later. The receipt that must be furnished the vehicle owner in accordance with Montgomery County Code Section 30C-8(e) must state the date and time when the vehicle reached the storage site, when the police were notified, and when the vehicle was redeemed by its owner.

- (4) for releasing a vehicle in an incomplete tow - if a vehicle owner returns to an unauthorized vehicle at any time after the vehicle is attached to the tow truck and lifted at least six inches off the ground but before it is towed from private property - \$50.00 or one-half the rate the towing service has filed under Montgomery County Code Section 30C-3(c) for attaching and towing the vehicle to the nearest storage area, whichever is lower. If the vehicle has not been lifted at least six inches off the ground, the service must release the vehicle without charging the owner any fee.

- (b) for vehicles 8,001 to 20,000 pounds gross vehicle weight rating:

- (1) for attaching the vehicle to be towed to the tow truck, including any other service needed to safely remove the vehicle - \$160.00;
- (2) for towing the vehicle to a storage site - \$5.00 per mile for the distance the vehicle is actually and reasonably towed to the nearest storage site available to the towing service in Montgomery County. Fractions of one-half mile or less must not be charged. Fractions greater than one-half mile may be charged as one mile.

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Subject Maximum Rates For Motor Vehicle Towing From Private Property	Number 15-11
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The mileage charged must not exceed twelve miles. The receipt that must be furnished the vehicle owner in accordance with Montgomery County Code Section 30C-8(e) must list the tow truck's odometer readings when the vehicle is attached and when it reaches the storage site.

- (3) for storing the vehicle until it is redeemed - \$25.00 for the first 24-hour time period, or portion thereof, the vehicle remains in the custody of the towing service, and \$40.00 for each additional 24-hour time period, or portion there of.

For the purposes of this subsection, a towing service does not have custody of the vehicle until the vehicle actually reaches the storage site or the property owner or owner's agent notifies the police department of the towing of the vehicle and provides the information required by Montgomery County Code Section 30C-5(a), whichever is later. The receipt that must be furnished the vehicle owner in accordance with Montgomery County Code Section 30C-8(e) must state the date and time when the vehicle reached the storage site, when the police were notified, and when the vehicle was redeemed by its owner.

- (4) for releasing a vehicle in an incomplete tow – if a vehicle owner returns to an unauthorized vehicle at any time after the vehicle is attached to the tow truck and lifted at least six inches off the ground but before it is towed from private property - \$80.00 or one-half the rate the towing service has filed under Montgomery County Code Section 30C-3(c) for attaching and towing the vehicle to the nearest storage area, whichever is lower. If the vehicle has not been lifted at least six inches off the ground, the service must release the vehicle without charging the owner any fee.
- (c) for vehicles over 20,000 pounds gross vehicle weight rating:
 - (1) for attaching the vehicle to be towed to the tow truck, including any other service needed to safely remove the vehicle - \$320.00;

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MONTGOMERY COUNTY EXECUTIVE REGULATION

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COPY

Subject Maximum Rates For Motor Vehicle Towing From Private Property	Number 15-11
Originating Department Office of Consumer Protection	Effective Date

(2) for towing the vehicle to a storage site - \$10.00 per mile for the distance the vehicle is actually and reasonably towed to the nearest storage site available to the towing service in Montgomery County. Fractions of one-half mile or less must not be charged. Fractions greater than one-half mile may be charged as one mile. The mileage charged must not exceed twelve miles. The receipt that must be furnished the vehicle owner in accordance with Montgomery County Code Section 30C-8(e) must list the tow truck's odometer readings when the vehicle is attached and when it reaches the storage site.

(3) for storing the vehicle until it is redeemed - \$40.00 for the first 24-hour time period, or portion thereof, the vehicle remains in the custody of the towing service, and \$80.00 for each additional 24-hour time period, or portion thereof.

For the purposes of this subsection, a towing service does not have custody of the vehicle until the vehicle actually reaches the storage site or the property owner or owner's agent notifies the police department of the towing of the vehicle and provides the information required by Montgomery County Code Section 30C-5(a), whichever is later. The receipt that must be furnished the vehicle owner in accordance with Montgomery County Code Section 30C-8(e) must state the date and time when the vehicle reached the storage site, when the police were notified, and when the vehicle was redeemed by its owner.

(4) for releasing a vehicle in an incomplete tow - if a vehicle owner returns to an unauthorized vehicle at any time after the vehicle is attached to the tow truck and lifted at least six inches off the ground but before it is towed from private property - \$160.00 or one-half the rate the towing service has filed under Montgomery County Code Section 30C-3(c) for attaching and towing the vehicle to the nearest storage area, whichever is lower. If the vehicle has not been lifted at least six inches off the ground, the service must release the vehicle without charging the owner any fee.

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MONTGOMERY COUNTY EXECUTIVE REGULATION

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Subject	Maximum Rates For Motor Vehicle Towing From Private Property	Number	15-11
Originating Department	Office of Consumer Protection	Effective Date	

A towing service must not charge for any act not listed in this section unless that act was expressly requested by the vehicle owner.

SECTION 4. SEVERABILITY. The provisions of this regulation are severable. If a court holds that a provision is invalid or inapplicable, the remainder of the regulation remains in effect.

SECTION 5. EFFECTIVE DATE. This regulation takes effect immediately after adoption by the County Council.

Approved:
Isiah Leggett
County Executive

Date: Oct 3, 2011

Approved as to Form and Legality
Office of the County Attorney

By:
Date: 9/15/11

(10)



MONTGOMERY COUNTY EXECUTIVE REGULATION

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

COPY

Subject Maximum Rates For Motor Vehicle Towing From Private Property	Number 15-11
Originating Department Office of Consumer Protection	Effective Date

Montgomery County Regulation on:

MAXIMUM RATES FOR MOTOR VEHICLE TOWING FROM PRIVATE PROPERTY

OFFICE OF CONSUMER PROTECTION

Issued By: County Executive
Regulation No. 15-11

Authority: Code Section: 30C-2
Council Review: Method 2 under Code Section 2A-15
Register Vol. 28 Issue 8

Comment Deadline: September 1, 2011
Sunset Date: None
Supersedes: Executive Regulation 2-08

SUMMARY: This regulation revises the maximum rates that a trespass towing service may charge when towing a motor vehicle from private property without the consent of the owner.

ADDRESS: Copies of the regulation may be obtained from the Office of Consumer Protection, 100 Maryland Avenue, Suite 330, Rockville, MD 20850

STAFF CONTACT: Investigator Douglas Numbers, telephone number 240-777-3636

BACKGROUND INFORMATION: Chapter 30C of the Montgomery County Code regulates the towing of vehicles from private property. Section 30C-2 requires that the County Executive establish by regulation the maximum rates that a towing service may charge when towing a motor vehicle from private property without the consent of the owner. This regulation revises those rates.

SECTION 1. DEFINITIONS. The terms used in the regulation have the same meaning as in Chapter 30C, Montgomery County Code. Each piece of a tractor trailer combination is considered to be a vehicle when a towing service tows both pieces.

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MONTGOMERY COUNTY EXECUTIVE REGULATION

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Subject	Maximum Rates For Motor Vehicle Towing From Private Property	Number	15-11
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SECTION 2. LIMITATIONS ON SCOPE. This regulation does not apply to the following:

- (a) Towing initiated by the vehicle owner;
- (b) Towing approved or requested by a police officer, firefighter, or rescue squad member in the course of duty or under the state law on abandoned vehicles; or
- (c) Towing a motor vehicle while repossessing it.

SECTION 3. MAXIMUM TOWING RATES. When towing a motor vehicle from private property without the consent of the owner, a towing service must not charge more than the following rates:

- (a) for vehicles with a gross vehicle weight rating of 8,000 pounds or less:
 - (1) for attaching the vehicle to be towed to the tow truck; including any other service needed to safely remove the vehicle (such as unlocking, disconnecting and reconnecting the driveshaft, securing the steering wheel, dollying, flatbedding, or use of go-jacks) - \$100.00.
 - (2) for towing the vehicle to a storage site - \$4.00 per mile for the distance the vehicle is actually and reasonably towed to the nearest storage site available to the towing service in Montgomery County. Fractions of one-half mile or less must not be charged. Fractions greater than one-half mile may be charged as one mile. The mileage charges must not exceed twelve miles. The receipt that must be furnished the vehicle owner in accordance with Montgomery County Code Section 30C-8[(f)] (e) must list the tow truck's odometer readings when the vehicle is attached and when it reaches the storage site.

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MONTGOMERY COUNTY EXECUTIVE REGULATION

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- (3) for storing the vehicle until it is redeemed - \$[10.00] 20.00 for the first 24- hour time period, or portion thereof, the vehicle remains in the custody of the towing service, and \$25.00 for each additional 24-hour time period, or portion thereof.

For the purposes of this subsection, a towing service does not have custody of the vehicle until the vehicle actually reaches the storage site or the property owner or owner's agent notifies the police department of the towing of the vehicle and provides the information required by Montgomery County Code Section 30C-5(a), whichever is later. The receipt that must be furnished the vehicle owner in accordance with Montgomery County Code Section 30C-8[(f)] (e) must state the date and time when the vehicle reached the storage site, when the police were notified, and when the vehicle was redeemed by its owner.

- (4) for releasing a vehicle in an incomplete tow – if a vehicle owner returns to an unauthorized vehicle at any time after the vehicle is attached to the tow truck and lifted at least six inches off the ground but before it is towed from private property - \$50.00 or one-half the rate the towing service has filed under Montgomery County Code Section 30C-3(c) for attaching and towing the vehicle to the nearest storage area, whichever is lower. If the vehicle has not been lifted at least six inches off the ground, the service must release the vehicle without charging the owner any fee.

(b) for vehicles 8,001 to 20,000 pounds gross vehicle weight rating:

- (1) for attaching the vehicle to be towed to the tow truck, including any other service needed to safely remove the vehicle - \$160.00;
- (2) for towing the vehicle to a storage site - \$5.00 per mile for the distance the vehicle is actually and reasonably towed to the nearest storage site available to the towing service in Montgomery County. Fractions of one-half mile or less must not be charged. Fractions greater than one-half mile may be charged as one mile.

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The mileage charged must not exceed twelve miles. The receipt that must be furnished the vehicle owner in accordance with Montgomery County Code Section 30C-8[(f)] (e) must list the tow truck's odometer readings when the vehicle is attached and when it reaches the storage site.

- (3) for storing the vehicle until it is redeemed - \$[15.00] 25.00 for the first 24-hour time period, or portion thereof, the vehicle remains in the custody of the towing service, and \$40.00 for each additional 24-hour time period, or portion there of.

For the purposes of this subsection, a towing service does not have custody of the vehicle until the vehicle actually reaches the storage site or the property owner or owner's agent notifies the police department of the towing of the vehicle and provides the information required by Montgomery County Code Section 30C-5(a), whichever is later. The receipt that must be furnished the vehicle owner in accordance with Montgomery County Code Section 30C-8[(f)] (e) must state the date and time when the vehicle reached the storage site, when the police were notified, and when the vehicle was redeemed by its owner.

- (4) for releasing a vehicle in an incomplete tow – if a vehicle owner returns to an unauthorized vehicle at any time after the vehicle is attached to the tow truck and lifted at least six inches off the ground but before it is towed from private property - \$80.00 or one-half the rate the towing service has filed under Montgomery County Code Section 30C-3(c) for attaching and towing the vehicle to the nearest storage area, whichever is lower. If the vehicle has not been lifted at least six inches off the ground, the service must release the vehicle without charging the owner any fee.

- (c) for vehicles over 20,000 pounds gross vehicle weight rating:

- (1) for attaching the vehicle to be towed to the tow truck, including any other service needed to safely remove the vehicle - \$320.00;

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MONTGOMERY COUNTY EXECUTIVE REGULATION

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Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject Maximum Rates For Motor Vehicle Towing From Private Property	Number 15-11
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(2) for towing the vehicle to a storage site - \$10.00 per mile for the distance the vehicle is actually and reasonably towed to the nearest storage site available to the towing service in Montgomery County. Fractions of one-half mile or less must not be charged. Fractions greater than one-half mile may be charged as one mile. The mileage charged must not exceed twelve miles. The receipt that must be furnished the vehicle owner in accordance with Montgomery County Code Section 30C-8[(f)] (e) must list the tow truck's odometer readings when the vehicle is attached and when it reaches the storage site.

(3) for storing the vehicle until it is redeemed - \$[30.00] 40.00 for the first 24-hour time period, or portion thereof, the vehicle remains in the custody of the towing service, and \$80.00 for each additional 24-hour time period, or portion thereof.

For the purposes of this subsection, a towing service does not have custody of the vehicle until the vehicle actually reaches the storage site or the property owner or owner's agent notifies the police department of the towing of the vehicle and provides the information required by Montgomery County Code Section 30C-5(a), whichever is later. The receipt that must be furnished the vehicle owner in accordance with Montgomery County Code Section 30C-8[(f)] (e) must state the date and time when the vehicle reached the storage site, when the police were notified, and when the vehicle was redeemed by its owner.

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MONTGOMERY COUNTY EXECUTIVE REGULATION

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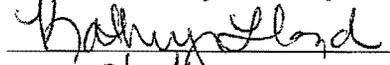
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SECTION 5. EFFECTIVE DATE. This regulation takes effect immediately after adoption by the County Council.

Approved: 
Isiah Leggett
County Executive

Date: Oct 3, 2011

Approved as to Form and Legality
Office of the County Attorney

By: 
Date: 9/15/11



OFFICE OF CONSUMER PROTECTION

Isiah Leggett
County Executive

Eric S. Friedman
Director

MEMORANDUM

April 25, 2011

TO: Eric Friedman, Director

FROM: Doug Numbers, Investigator *DWN*
Sharon Margolis, Investigator *SM*

SUBJECT: 2011 Trespass Tow Rate Review & Recommendation

Chapter 30C, Motor Vehicle Towing and Immobilization On Private Property, of the Montgomery County Code provides that the County Executive must establish, by regulation under method (2), the maximum rates that a trespass towing service may charge. In addition, Section 30C-2 provides that the County Executive must review the rates at least every two (2) years. These rates apply to towing services in which the vehicle is towed without the consent of the vehicle owner.

The statute provides that the County Executive must set "fair and reasonable" maximum rates for each of the following acts:

- Attaching the vehicle to the tow truck
- Towing the vehicle to a storage site based upon the distance towed
- Storing the vehicle until it is redeemed
- Any other service needed to safely remove a vehicle
(By statute the fee for releasing a vehicle before towing a vehicle may not exceed 50% of the fee for attaching the vehicle to the tow truck.)

Trespass towing rates were last raised in 2008. Pursuant to Executive Regulation 2-08, the County Executive provided for an overall rate increase of approximately 12% effective September 16, 2008 (Temporary regulations were enacted March 25, 2008). This rate increase resulted in an increase in the average cost of a trespass tow from \$127 to \$142.

Trespass towing rates are divided into three (3) categories: vehicles with a gross weight of 8,000 pounds or less, vehicles with a gross weight of 8,001 to 20,000 pounds, and vehicles over 20,000 pounds.

Executive Regulation 2-08 increased the trespass towing rates as follows:

Passenger Vehicles Less than 8,000 pounds

- Attaching: from \$ 95 to \$100
- Mileage: from \$3.00 to \$4.00 per mile
- Storage: No change from \$10 for the first 24 hours. An increase from \$20 to \$25 for each additional 24 hour period.

Vehicles 8,001 to 20,000 pounds

- Attaching: from \$150 to \$160
- Mileage: from \$4.00 to \$5.00 per mile
- Storage: No change from \$15 for the first 24 hours. An increase from \$30 to \$40 for each additional 24 hour period.

Vehicles over 20,000 pounds – New Category added during 2008 Rate Review

- Attaching: \$320
- Mileage: \$10 per mile
- Storage: \$30 for the first 24 hours & \$80 for each additional 24 hour period

The vast majority of passenger vehicles owned by consumers that are towed without the owner's consent are vehicles that weigh less than 8,000 pounds (this includes mini-vans and sport utility vehicles). In addition, according to our records, 98% of the vehicles towed without the owner's consent are retrieved by the owner within the first 24 hours.

In 2010, the Office of Consumer Protection (OCP) conducted a rate review in which a comprehensive chart was compiled to compare trespass towing fees in ten (10) local jurisdictions: Arlington County, City of Alexandria, Anne Arundel County, Baltimore City, Baltimore County, District of Columbia, Fairfax County, City of Falls Church, Howard County, and Prince George's County. In addition, this chart also compiled information regarding trespass towing fees in eight (8) out of state jurisdictions: Long Beach, California; Broward County, Florida; Palm Beach County, Florida; Portland, Oregon; Miami Dade County, Florida; Massachusetts; Georgia; and Virginia.

Direct rate comparisons with other jurisdictions are limited due to differences in pricing structures. For example, several jurisdictions provide flat rate pricing and do not provide itemized prices for each service component. In addition, some jurisdictions compute storage times differently. Therefore, certain assumptions as to the mileage and length of storage must be used to create typical towing scenarios, based upon behavior in Montgomery County, in order to effectively compare rates.

According to the review conducted by OCP in 2010, the County Executive did not propose any rate changes to the rates enacted in 2008.

In response to a request from Council Vice President **Roger Berliner**, OCP conducted an expedited towing rate review in 2011. This review was initiated earlier than was originally scheduled. Pursuant to this review OCP updated the comprehensive data for the local jurisdictions. (See attached chart.) Based upon this expedited review, OCP is recommending that the County Executive make the following change to the rate schedule:

- Increase the storage charges for the first 24 hours across all 3 weight classes by \$10.00.

This would increase the cost of every tow by \$10 and put the county rates for storage more in line with surrounding jurisdictions.

Under a typical scenario, in which a vehicle weighing up to 8000 lbs is towed without the owner's consent, is brought to a storage site 8 miles away, and is retrieved by the consumer within 24 hours, the total cost of the tow under the current trespass towing rates in Montgomery County is higher than what would be charged for a similar tow in Fairfax, Virginia; Arlington County, Virginia; City of Alexandria, Virginia; Falls Church, Virginia; and Howard County, Maryland. The total cost of the tow would be lower than what would be charged in Prince George's County and the City of Frederick, Maryland. This is illustrated by the chart below:

Jurisdiction	Hookup	Mileage	Storage	Other Fees	Total
Montgomery	\$100	\$32 (8 miles @ \$4 per mile)	\$10		\$142
Fairfax	\$50	\$0	\$25	Additional \$15 if picked up after "normal business hours"	\$75 - \$90
Arlington	\$115	\$0	\$0		\$115
Alexandria	\$75	\$0	\$0		\$75 (\$85 if picked up between 7pm & 8am)
Falls Church	\$100	\$0	\$0		\$100
Howard	\$125	\$0	\$12.50	\$15 additional if used dolly or flatbed	\$137.50
Princes George's	\$175	\$0	\$0		\$175
City of Frederick	\$200	\$0	\$0		\$200

Under the same scenario as above, the proposed changes to the county's rates would result in a total cost of \$152, an increase of approximately 7%. Thus, the total cost of the tow under the proposed trespass towing rates would be higher than what would be charged for a similar tow in Fairfax, Virginia; Arlington County, Virginia; City of Alexandria, Virginia; Falls Church, Virginia; and Howard County, Maryland. The total cost of the tow would still be lower than the charges in Prince George's County and the City of Frederick, Maryland.

Other considerations were also evaluated with regard to this rate review. Trespass towing is only one of several other types of towing services usually offered by towing firms. These towing firms also generally provide the following towing services in Montgomery County:

- Consumer requested tows
- Police requested tows
- Motor Club tows
- County requested tows

In conducting its review, OCP also compiled and compared the rates the towing firms charge for these other types of tows. Rates for these other types of tows are not regulated and are set by the towing firms. Accordingly, these towing rates provide valuable insight and would appear to reflect the towing firm's business expenses, fixed costs, and market competition influences. In addition, to the extent that towing firms assert that trespass towing rates should be increased, the fact that towing firms set their own rates for other types of tows at a rate lower than the rates set by Montgomery County for trespass tows would appear to undercut their claims that the current trespass tow rates are not sufficient for them to cover their costs and make a sufficient profit.

OCP conducted a survey of local tow companies asking how much they would charge a consumer requesting the tow of his or her broken down vehicle. The chart below shows the prices OCP was quoted by 6 local tow companies:

Tow Company	Hookup	Mileage
A	\$80	\$4 per mile
B	\$85	\$4 per mile
C	\$75	\$4.50 per mile
D	\$75	\$4 per mile
E	\$75	\$2 per mile
F	\$85	\$3 per Mile

All of these rates are lower than the current rates set by Montgomery County for trespass tows. It should be noted that all of the tow companies contacted also perform trespass towing in Montgomery County.

Setting "fair and reasonable" rates is a difficult balancing act for a service in which the party paying the rate did not consent to the service and did not have any

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opportunity to select the firm that is providing the service. Vehicle owners consistently complain about trespass tows and the high rates under the current schedule. In addition to these rate setting duties, OCP is responsible for receiving and investigating complaints from consumers against towing firms regarding trespass towing services.

Complaints from consumers against trespass towing firms are numerous and generally concern several issues:

- Improper signage
- Inappropriate charges
- Damage and theft claims
- Unsafe conditions and rude behavior
- Use of "spotters"

In addition, the maximum rates set by Montgomery County become the minimum rates. According to our information, no towing firms charge less than the maximum rates set by Montgomery County for trespass tows. The transaction is further complicated by the fact that the property owners, who contract with the towing firm, do not appear to care how much vehicle owners are charged by a towing firm because the property owners are not the party paying these fees.

In conducting these reviews, OCP seeks to identify and examine any trends in the industry. For example, OCP continues to monitor regulatory rate structures in other jurisdictions that have adopted "fixed-rate" pricing rather than itemizing the components of the towing service.

Please let us know if you have any questions or need any further information. Thank you.

RDN/SWM

Jurisdiction	Vehicle Type	Hookup Fees	Drop Fee	Mileage Fees	Mileage (Maximum)	Storage Fees (Initial)	Storage Fees (Continuing)	Other Fees (specify)/Notes	Application Fee (Licensing)	Source
Montgomery County	Class 1 (under 8,000 GVW)	\$100	\$50	\$4	12	\$10 for first 24 hours	\$25 for following 24 hr periods		Application Fee 1-5 Tow Trucks \$138.00 6-10 Tow Trucks \$219.00 11 or More Tow Trucks \$299.00	
	Class 2 (over 8,000 GVW)	\$160	\$80	\$5		\$15 for first 24 hours	\$30 for following 24 hr periods			
Surrounding Areas										
Arlington County	Vehicles under 7,501 lb	\$115	\$25			\$0 for 1st 24-hr period	\$50 for each subsequent 24 hour period	\$14.3-9		County Manager Website
	Vehicles 7,501 lb or greater	\$250	\$25							
Alexandria (City of)	Motor vehicles 7500 lbs. or less	\$75	\$25			\$0 if retrieved within 1st 24-hr period	\$20.00 per day after initial 24-hr period	After Hours Retrieval Fee - \$10.00 (btwn 7pm and 8am)		City Ordinance 9-13-3 - Link
Anne Arundel County	Vehicles under 10,000 lb	\$300				\$0 until 1st first calendar day AFTER tow	\$25 per day starting first calendar day AFTER tow	Administrative fee (if vehicle is not claimed by next business day): \$25	Application Fee \$100; License Fee \$25 per truck (Dept. of Inspections & Permits) \$12-3-107 & 11-16-205	Police Department Website
	Vehicles 10,001-14,000 lb	\$350								
	Vehicles 14,001 - 19,500 lb	\$500								
Baltimore City	Vehicles East of Charles St	\$260.00				\$0 for 1st 24 hrs - Code 50-2421.09	\$8 per day as per state law		Application Fee \$100 - background check fee	http://www.baltimorecity.gov/Government/Agencies/Departments/Transportation/VehicleTowing/TowingFees.aspx
	Vehicles West of Charles St	\$280 (per state law no more than twice the amount permitted for impound)								
Baltimore County	Vehicles up to and including 3/4 Ton Trucks	\$220				\$0 until 12:01 1st calendar day after tow	\$8 per day starting 12:01 1st calendar day after tow	Administrative Fee (if vehicle not claimed within 3 calendar days): \$50.00	Application Fee \$100; License Fee \$150; Renewal Fee \$150	Department of Permits and Development Management
District of Columbia	Vehicles up to 8,000 lb	\$100	\$50	\$3.00 per mile outside DC at owner's request		\$20.00 per 24-hour storage period		Vehicle must be ticketed first		http://dc.gov/DC/Government/Data+&+Transparency/Consumer+Protection/Hot+Topics/What+You+Should+Know+About+Auto+Repair+Shops/Towing+Services
	Vehicles over 8,000 lb (website says *requiring special	\$275	\$50	\$6.00 per mile outside DC at owner's request						DC Code 50-2421.09



Jurisdiction	Vehicle Type	Hookup Fees	Drop Fee	Mileage Fees	Mileage (Maximum)	Storage Fees (Initial)	Storage Fees (Continuing)	Other Fees (specify)/Notes	Application Fee (Licensing)	Source
Fairfax County	All motor vehicles	\$50	\$25			\$25.00 per 24-hour storage period		After Hours Retrieval Fee not to exceed \$15.00 (after "normal business hours") County Code 82-5-32		http://library.municode.com/Ind ex.aspx?clientId=10051&stateId=46&stateName=Virginia
Frederick (City of)	Vehicles up to 10,000 lb	\$200	\$75			\$0 for first 24-hour period	\$50 per day after 1st 24-hr period	After 72 hrs \$75 admin fee		http://www.cityoffrederick.com/cms/files/charter/data/
Falls Church (City of)	Vehicles up to 10,000 lb	\$100	\$25			\$0 for 24 hours or less	\$40.00 per day after initial 24-hour period	City Code 26-138		http://library.municode.com/Ind ex.aspx?clientId=14329&stateId=46&stateName=Virginia
Howard County	Vehicles up to 8,000 lb	\$125	\$62.50			\$12.50 for first 12-hour period	\$12.50 for each add'l 12-hr period	Dollaying or flatbedding: \$15.00	\$150	www.co.ho.md.us/CA/ca_tresp asstowregistration.htm
	Vehicles over 8,000 lb	\$390	\$195			\$37.50 for first 12-hour period	\$37.50 for each add'l 12-hr period			
Prince George's County	Vehicles up to 10,000 lb	Flat fee (hookup, mileage, and 1st calendar day storage): \$175, drop fee: \$50.00				Up to 18 hours included in flat fee	\$50.00 per day starting 18 hrs after time towed		Annual Fee \$2000 plus \$25 per truck	County Code Sec. 26-142.14
	Vehicles 10,001-26,000 lb	Flat fee (hookup, mileage, and 1st calendar day storage): \$300, drop fee: \$100.00								
Other Jurisdictions										
Long Beach (California)	Vehicles up to 9,000 lb	\$148	\$74	\$6.00 per mile outside city		\$46 per day if less than 20'		after hours release: \$57; impound notification: \$21		Towing & Lein Sales Website
	Vehicles 9,000-26,000 lb	\$176	\$88		\$52 per day if more than 20'					
Broward County (Florida)	Vehicles less than 10,000 lbs	\$100	\$50			\$0 for first 6 hours	\$24 outdoor storage, \$30 indoor storage, for each 24 hour period after 6 hours	Administrative Fees \$30.00 after 24 hours		http://www.broward.org/Permitt ingAndLicensing/Consumer/Pages/locallyregulated.aspx
Palm Beach County (Florida)	Class A	\$115	\$57.50			\$0 for first 6 hours	after 1st 6 hrs \$25.00 daily outdoor storage for vehicles under 20'	After Hours Release: \$35; Possible Admin Fee: \$50 (if vehicle not recovered within 24 hours of police notification); CPI automatic increase in fees	\$600 Bus. Fee; \$150 per vehicle; \$100 for storage inspection; \$24 background fee	www.pbcgov.com/publicsafety/consumeraffairs/towing
	Class B	\$203	\$101.50	\$0 for first 6 hours	after 1st 6 hrs \$35.00 daily outdoor storage for vehicles over 25'					
Portland, Oregon	Class A Vehicle	\$157.25	\$182 (hookup + data service + city service)	\$3.80 per mile	8 miles	\$0 for 1st 4 hrs after completion of tow	after 1st 4 hrs \$25.00 per day (\$35 per day over 20' long)	Data Services Fee \$14.75; City Service Fee \$10.00; after hours release: \$25.00		Management & Finance Website
	Class B Vehicle	\$164.25	\$189.00	\$4.50 per mile	8 miles					

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Jurisdiction	Vehicle Type	Hookup Fees	Drop Fee	Mileage Fees	Mileage (Maximum)	Storage Fees (Initial)	Storage Fees (Continuing)	Other Fees (specify)/Notes	Application Fee (Licensing)	Source
Miami Dade County (Florida)	Class A	\$101.00	\$50.50			\$0 for first 6 hours	\$20.00 for daily outdoor storage for vehicles under 20'	Administrative Fee (after 24 hrs) \$30.00, Dolly: \$35.00	\$300; \$100 for each add'l truck; truck decal fee \$50 for each add'l truck	Miami Dade Consumer Protection
	Class B	\$165.00				\$0 for first 6 hours	\$35.00 for daily outdoor storage for vehicles over 25'			
Massachusetts	All motor vehicles	\$90 per tow for up to 5 miles		\$3.00 per mile over 5 miles		\$35.00 per 24-hour storage period		c. 266 § 120D - can't charge more than allowed for police tows		Chapter 159B Section 6B www.mass.gov/Eoca/docs/dte/cmr/220cmr272.pdf
Georgia	Vehicles up to 10,000 lb	\$125	\$50			\$0 for 1st 24 hrs	\$15 per day after first 24 hrs	After Hours claim of vehicle - \$25.00	\$300	DOT webpage
	Vehicles 10,001-20,000 lb	\$195	\$100			\$0 for 1st 24 hrs	\$20 per day after first 24 hrs			
Virginia	All motor vehicles	\$125	\$25			\$0 for first 24 hours		\$25 Additional Fee for tows between 7 PM and 8 AM and non-business days		Virginia Code 46.2-1233.1 - Link
Connecticut	Vehicles up to 10,000 lb	\$88.00		\$4.75 per mile in excess of two miles		\$0 for 1st 8 hrs; fee charged for 1 - 12 hrs should be 1/2 amount on file for 24 hr period	Vehicles under 20' in length - \$24.00 per day (5 days or less), \$28.00 per day (over 5 days) in a lighted, fenced, protected outdoor facility	DMV Regs. 14-63-34-37b and 14-261-1	Only licensed dealers or repairers can get a wrecker registration	Towing Rates - CT DMV website www.ct.gov/dmv/cwp/view.asp?A=799&Q=245360
	Vehicles 10,001-26,000 lb	\$200/hr (minimum \$200 charge, added in \$50/15 minute increments)		n/a		\$0 for 1st 8 hrs; fee charged for 1 - 12 hrs should be 1/2 amount on file for 24 hr period	Vehicles 20' to 32' in length - \$27.00 per day (5 days or less), \$34.00 per day (over 5 days) in a lighted, fenced, protected outdoor facility			
	Vehicles over 26,000 lbs	\$325/hr (minimum \$200 charge, added \$50/15 minute increments)		n/a		\$0 for 1st 8 hrs	Vehicles over 32' in length - \$30.00 per day (5 days or less), \$40.00 per day (over 5 days) in a lighted, fenced, protected outdoor facility			
New York City	regular tow	towing and 3 days of storage: \$100	\$50			1st 3 days included in hookup	4th day and after: \$10 per day	NYC Admin. Code 19-169.1(a) http://24.97.137.100/nyc/AdCode/Title19C1_19-169_1.asp?zoom_highlight=towing	\$600 per truck	www.nyc.gov/html/dca/html/publications/publications_towing.shtml
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