

CITY OF BALTIMORE
COUNCIL BILL 09-0127R
(Resolution)

Introduced by: Councilmembers Curran, Kraft, Henry, Cole, Clarke, Holton

Introduced and read first time: April 20, 2009

Assigned to: Judiciary and Legislative Investigations Committee

REFERRED TO THE FOLLOWING AGENCIES: Department of Transportation, Department of Finance

A RESOLUTION ENTITLED

1 A COUNCIL RESOLUTION concerning

2 **Informational Hearing – Department of Transportation – Increase in Towing Fees**

3 FOR the purpose of requesting the Director of Transportation to report to the City Council on the
4 proposed increase in towing fees; the rationale for the increase as based on fuel utility and
5 operational costs; the possible effect the increases will have on the general public’s ability to
6 reclaim towed vehicles in a timely fashion; and the possibility that the increases will result in
7 an increase in the number of vehicles that are abandoned in towing storage facilities.

8 **Recitals**

9 On April 1, the Department of Transportation requested the Board of Estimates to approve
10 and authorize execution of the 2009 Towing Rates Agreement with the Baltimore Towers’
11 Association. The Department submitted as explanation for the fee change: In order to enforce
12 the City’s parking regulations and scofflaw laws as they apply to motorists and their vehicles, the
13 City, through the Department of Transportation and the Police Department, utilizes a group of
14 Medallion Towers to augment City resources in these efforts.

15 Vehicles are towed when in violation of parking laws in identified tow zones, towed in
16 response to police actions, and towed from private property. The vehicles are towed to the
17 Fallsway Impound Lot or to the Pulaski Highway Storage facility where they are held until all
18 fines and fees have been satisfied. Under the new proposal, hauling fees to these facilities will
19 rise from \$105 to \$130 for vehicles removed from downtown streets and from \$115 to \$140 from
20 streets in other parts of Baltimore.

21 The proposed increase in fees gave rise to questions at the Board of Estimates of the impact
22 on the public. The fee may prove to be onerous to the Baltimore general public already feeling
23 the impact of a global recession. Although the rate changes are said to be necessary to offset the
24 rising fuel utility and operation costs, the cost to people with “trespass tows” of cars improperly
25 parked on private property can be up to twice the amount of that set by the City.

26 An article in *The Police Chief: The Professional Voice of Law Enforcement*, published by the
27 International Association of Chiefs of Police, states that “across the United States, more than
28 30,000 cars are relocated each day without the owner’s consent, in such situations as law
29 enforcement or private-property tows, and are ultimately stored in public and private impound
30 lots. Coupled with the reality that most metropolitan areas have multiple enforcement agencies

EXPLANATION: Underlining indicates matter added by amendment.
~~Strike out~~ indicates matter deleted by amendment.

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1 residing in overlapping and adjacent jurisdictions, hundreds of towing companies, and thousands
2 of property owners, locating a towed car can be a daunting, costly, and time-consuming task.”

3 “With the national average for recovering a towed car estimated at five to seven days with
4 vehicle abandonment rates greater than 25 percent, many vehicles are never recovered because
5 they cannot be found or the storage bill outweighs the value of the car. The result is that the
6 vehicle owner often walks . . . Cities and counties can benefit by providing better services to
7 their constituents by reducing the financial burden and emotional stress related to towing and
8 storage fees.”

9 The Economic Outlook contained in the Baltimore City *Fiscal 2010 Preliminary Budget*
10 *Plan* concludes, in part, that “the global economy is mired in the worst recession in at least a
11 generation, and Baltimore is feeling the effects . . . Foreclosure filings are on the rise. The more
12 than 4,000 filings in 2007 were the most since 2001. Preliminary data shows somewhat fewer
13 filings in 2008 - in part due to State law changes - but the City’s Department of Housing and
14 Community Development expects the number to grow in 2009 as the job market weakens and
15 hundreds more adjustable rate mortgages reset.”

16 “In 2008, losses on mortgage-backed securities froze credit markets and spread the economic
17 pain across virtually every sector. One result is rising unemployment. The U.S. economy lost
18 2.6 million jobs in 2008 and another 596,000 in January 2009. In Baltimore, the unemployment
19 rate jumped from 5.5% to 8.5% in 2008. The economic firm Sage Policy Group predicts that
20 Baltimore residents will suffer further job losses in the coming year due to cutbacks in the
21 construction and retail sectors. Baltimore is fortunate to have a concentration of jobs in health
22 services and education - two solid sectors - but many are filled by non-City residents.”

23 Before Baltimore City imposes the increase in towing fees on a public already financially at
24 risk, it is imperative that the full impact of the Department of Transportation proposal be
25 determined. The increase in fees must be evaluated in total – from winching or rollback service
26 to storage. Also it also must be confirmed that increases, in one case equal to 300%, are really
27 necessary to offset Departmental budget shortfalls.

28 **NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE,** That the
29 Director of Transportation is requested to report to the City Council on the proposed increase in
30 towing fees; the rationale for the increase as based on fuel utility and operational costs; the
31 possible effect the increases will have on the general public’s ability to reclaim towed vehicles in
32 a timely fashion; and the possibility that the increases will result in an increase in the number of
33 vehicles that are abandoned in towing storage facilities.

34 **AND BE IT FURTHER RESOLVED,** That a copy of this Resolution be sent to the Mayor, the
35 Director of Transportation, the Director of Finance, and the Mayor’s Legislative Liaison to the
36 City Council.