



Legislation Details (With Text)

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Title: Informational Hearing - Department of Transportation - Increase in Towing Fees

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

Sponsors: Robert Curran, James B. Kraft, Bill Henry, William H. Cole, IV, Mary Pat Clarke, Helen L. Holton

Indexes: Fees, Resolution, Towing

Code sections:

Attachments: 1. 09-0127R - 1st Reader.pdf, 2. Finance - 09-0127R.pdf, 3. Transportation - 09-0127R.pdf, 4. 09-0127R - Adopted.pdf

Date	Ver.	Action By	Action	Result
6/15/2009	0	Judiciary and Legislative Investigations	Recommended Favorably	
6/15/2009	0	City Council	Adopted	
4/27/2009	0	Judiciary and Legislative Investigations	Scheduled for a Public Hearing	
4/23/2009	0	The City Council	Referred for a Report	
4/23/2009	0	The City Council	Referred for a Report	
4/20/2009	0	City Council	Assigned	
4/20/2009	0	City Council	Introduced	

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INTRODUCTORY*

CITY OF BALTIMORE
COUNCIL BILL R
(Resolution)

Introduced by: Councilmember Curran

A RESOLUTION ENTITLED

A COUNCIL RESOLUTION concerning
Informational Hearing - Department of Transportation - Increase in Towing Fees

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

Recitals

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

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

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

An article in *The Police Chief: The Professional Voice of Law Enforcement*, published by the International Association of Chiefs of Police, states that "across the United States, more than 30,000 cars are relocated each day without the owner's consent, in such situations as law enforcement or private-property tows, and are ultimately stored in public and private impound lots. Coupled with the reality that most metropolitan areas have multiple enforcement agencies residing in overlapping and adjacent jurisdictions, hundreds of towing companies, and thousands of property owners, locating a towed car can be a daunting, costly, and time-consuming task."

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

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

"In 2008, losses on mortgage-backed securities froze credit markets and spread the economic pain across virtually every sector. One result is rising unemployment. The U.S. economy lost 2.6 million jobs in 2008 and another 596,000 in January 2009. In Baltimore, the unemployment rate jumped from 5.5% to 8.5% in 2008. The economic firm Sage Policy Group predicts that Baltimore residents will suffer further job losses in the coming year due to cutbacks in the construction and retail sectors. Baltimore is fortunate to have a concentration of jobs in health services and

education - two solid sectors - but many are filled by non-City residents.”

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

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

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

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ccres/Infohrg -Towing/nf

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