



Maine Credit Union League

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In Support of

LD 1377: Resolve, to Convene a Working Group to Evaluate Potential Regulation of the Vehicle Towing Industry and the Impact on State Agencies and Industries

Committee on Transportation

April 23, 2025

Good Afternoon, Senator Nangle, Representative Crafts, and distinguished members of the Committee on Transportation,

My name is Robert Caverly and I am the Vice President of Advocacy & Outreach at the Maine Credit Union League. The Maine Credit Union League is the trade association representing all of Maine's credit unions and their more than 750,000 members statewide. We respectfully submit the following testimony **in support of LD 1377**.

Credit unions across the state share many things in common; their dedication to their members, their belief in cooperative principles, giving back to their communities, and their shared frustrations with towing fees. From Aroostook County to York County credit unions have shared with us their anger with unreasonable towing storage fees. The issues surrounding towing fees are so unifying that the League asked Representative Cluchey to sponsor a bill on the issue for this legislature. Currently that bill has yet to be printed or referenced to the committee.

The League thanks the bill sponsor for LD 1377 and for including our industry within the proposed working group. The League has previously worked with interested parties, including but not limited to, the Secretary of State's office, representatives of the towing industry, and the Transportation Committee on prior towing legislation. We would welcome the opportunity to do so again.

While credit unions are generally frustrated with some towing companies, they also recognize that many towing companies are small family run businesses. As financial cooperatives that are much smaller than our banking competitors, we sympathize with the burden of day-to-day compliance and regulation. Often, we hear from our credit unions that they are not opposed to paying towing or storage fees, they're opposed to paying fees that occurred because they were unaware of the location of the vehicle. These fees often eliminate the value of the credit unions' collateral. As financial cooperatives, any financial loss to the credit union is a loss to all the members of the credit union.

We support the creation of a working group and will gladly work with interested parties to find solutions. We think we may have a solution with Representative Cluchey's bill, and we look forward to the committee hearing it. Towing companies deserve to receive fair fees for their services in a timely manner, just as credit unions deserve a process that protects their financial interests and those of their members.



Thank you for considering our industry's views on this bill and we urge the committee to support LD 1377 with an Ought to Pass vote.