

**TESTIMONY FROM THE
NATIONAL INSURANCE CRIME BUREAU BEFORE THE
JOINT COMMITTEE ON TRANSPORTATION
IN SUPPORT OF LD 1377 (SP 572)**

April 23, 2025

Chair Crafts, Nangle, and Members of the Committee:

My name is Howard Handler, I serve as Senior Director of Strategy, Policy, and Government Affairs for the National Insurance Crime Bureau.

NICB is a national, century-old, not-for-profit organization supported by approximately 1,200 property and casualty insurance companies, including many who write business in Maine. Working hand-in-hand with our member companies and Maine law enforcement, we help to detect, prevent, and deter insurance crimes and fraud, including predatory towing.

While credible towers provide a critical service, the high-stress situation of a traffic crash coupled with the very competitive nature of the towing industry creates the perfect opportunity for unscrupulous wrecking and towing companies to exploit accident victims. Across the nation and right here in Maine we are seeing a recurring narrative:

Towers listen to police scanners or are otherwise tipped off and speed to vehicle crashes to be first on the scene and hook-up the vehicle. Predatory towers across the nation too often have injured and killed bystanders as they recklessly ignore traffic laws trying to get to the scene. Fights and even shootouts between towers are also documented.

Once on the scene, unscrupulous towers take advantage of the stress and confusion at the crash site by pressuring motorists to agree to use their towing company—sometimes falsely claiming the tower was dispatched by their insurer or the police. Upon towing the vehicle, predatory towers will charge inflated, exorbitant fees such as gate fees, administrative fees, separate fees for every conceivable piece of equipment and accessory (including shovels and eye goggles), and steep hazardous waste clean-up fees for purported hazardous spills that neither the police nor fire department asked them to remediate.

A routine tow of several miles can quickly result in a towing bill of \$5,000 or \$10,000 – and even \$100,000 or more for commercial vehicle tows. The vehicles are then held hostage by these predatory towers until the fee is paid, all while incurring additional daily storage fees to further pad the bill.

LD 1377 (SP 572) would convene a working group to evaluate potential oversight of the vehicle towing industry, and report its findings by December 3. Such a working group can be an important first step toward combatting towing fraud and enhancing consumer protections. **Accordingly, we encourage you to support this legislation.**

Thank you for the opportunity to testify at this hearing and for considering our views.

#

**Howard Handler, Senior Director
Strategy, Policy, and Government Affairs
National Insurance Crime Bureau
312.771.3974 | hhandler@nicb.org**