



Maryland Consumer Rights Coalition

Testimony to the Senate Judicial Proceedings Committee
SB 434: Vehicle Laws-Failure to Pay Video Tolls- Outstanding Fines
Position: Favorable

February 10, 2021

The Honorable William C. Smith, Jr., Chair
Judicial Proceedings Committee
2 East, Senate Office Building
Annapolis, MD 21401
cc: Members, Judicial Proceedings Committee

Honorable Chair Smith and Members of the Committee:

The Maryland Consumer Rights Coalition (MCRC) is a statewide coalition of individuals and organizations that advances financial justice and economic inclusion for Maryland consumers through research, education, direct service, and advocacy. Our 8,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland.

We are writing today in support of SB 434.

In 2018, MCRC released a research report, *No Exit: How Maryland's Debt Collection Practices Deepen Poverty & Widen the Racial Wealth Gap*, which details the fines and fees that derail the efforts of low-income Marylanders to gain a stronger economic foothold and achieve financial stability. Our report found that in recent years as electronic-tolling has grown in popularity, state-owed debt related to electronic-tolls and their associated civil penalties has grown exponentially.

Our research found that these tolls fell disproportionately on unbanked and underbanked Maryland drivers and that the toll amount resulted in severe economic hardship for many individuals. Several individuals declared bankruptcy due to the cost of mounting tolls.

Today, many Maryland families are suffering with the twin crises of the pandemic and economic recession. Many households are financially fragile at this time and are struggling to keep their homes, keep food on the table, and pay medical bills. In 2018, the video toll costs penalized the poor and exacerbated a vicious cycle of poverty.



Maryland Consumer Rights Coalition

Now, these tolls seem even more burdensome and punitive. Reducing the toll from \$50 to \$25 is the right thing for Maryland to do. As noted last year, Massachusetts charges \$5 per violation. Reducing these outstanding fines from \$50 to \$25 is a sensible response for Maryland drivers.

For all these reasons, we support SB 434 and urge a favorable report.

Sincerely,

Marceline White
Executive Director