

**Testimony to the House Environment & Transportation Committee
HB 175: Maryland Transportation Authority – Program for Payment of Unpaid Video Tolls
Position: Favorable**

March 03, 2022

The Honorable Kumar P. Barve, Chair
Environment and Transportation Committee
Room 251, HOB
Annapolis, MD 21401
cc: Members, Environment and Transportation Committee

Honorable Chair Barve and Members of the Committee:

We are writing today in support of HB 175 and its goal to reduce the number of residents with delinquent unpaid video tolls and related civil penalties.

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.¹ 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. Video toll costs penalize the poor and exacerbate a vicious cycle of poverty.

HB 175 would establish a Maryland Transportation Authority (MDTA) administered program to incentivize and enable Maryland residents to resolve unpaid video tolls and related civil penalties. The program would waive 70% of a resident's delinquent fees and support the resident's transition to E-ZPass billing.

The program also provides a payment plan option for drivers struggling to pay off their tolls and fines. For low-income Marylanders, paying a bill or debt as a single large sum is cataclysmic for their financial well-being and often impossible. This bill adds a provision that would allow participants of the program to enroll in a monthly installment plan to pay their remaining balance.

For all these reasons, we support HB 175 and urge a favorable report.

Sincerely,

Isadora Stern
Policy Associate

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https://static1.squarespace.com/static/5b05bed59772ae16550f90de/t/61e0ace0126a434a26bcf3f4/1642114273947/No_Exit_Report.pdf

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