

# **HB0029-693125-01 Sponsor Amendment.pdf**

Uploaded by: Al Carr

Position: FAV



HB0029/693125/1

AMENDMENTS  
PREPARED  
BY THE  
DEPT. OF LEGISLATIVE  
SERVICES

01 MAR 22  
08:53:12

BY: Delegate Carr

(To be offered in the Environment and Transportation Committee)

AMENDMENTS TO HOUSE BILL 29

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, at the top of the page, insert “EMERGENCY BILL”; in line 2, after “**Laws –**” insert “**Penalties for**”; in the same line, strike “– **Penalties**” and substitute “**and Electronic Tolling Performance Audit**”; in line 7, after “violations;” insert “requiring the Maryland Transportation Authority to competitively bid for a certified public accounting firm to conduct a certain performance audit of the electronic tolling operations of the Authority on or before a certain date;”; and in the same line, strike “penalties for toll violations” and substitute “electronic tolling”.

AMENDMENT NO. 2

On page 3, after line 26, insert:

“SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) (1) Subject to paragraph (2) of this subsection, on or before May 15, 2022, the Maryland Transportation Authority shall competitively bid for a certified public accounting firm to conduct a performance audit of the electronic tolling operations of the Maryland Transportation Authority to evaluate the efficiency and effectiveness of tolling operations and customer service practices of the Maryland Transportation Authority, including revenue collection, leakage analysis, and procurement and contracting processes.

(2) (i) A certified public accounting firm that provides services to the Maryland Transportation Authority is not eligible to bid on the performance audit contract under paragraph (1) of this subsection.

(ii) On the award of the performance audit contract to a certified public accounting firm under paragraph (1) of this subsection and before commencement of the performance audit, the certified public accounting firm shall consult with the Joint Audit Committee and the Office of Legislative Audits in the development of the scope and objectives of the performance audit.

(b) On or before December 31, 2022, and on or before each December 31 for the next two years, the Maryland Transportation Authority shall submit to the Governor and, in accordance with § 2-1246 of the State Government Article, the President of the Senate and the Speaker of the House of Delegates a certified copy of the performance audit conducted during that calendar year that meets the requirements under subsection (a) of this section.”;

in line 27, strike “2.” and substitute “3.”; and in lines 27 and 28, strike “shall take effect June 1, 2022” and substitute “is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted”.

# HB29\_Carr\_Fav.pdf

Uploaded by: Al Carr

Position: FAV

AL CARR  
Legislative District 18  
Montgomery County

Health and Government Operations  
Committee

*Subcommittees*

Insurance and Pharmaceuticals  
Health Occupations and  
Long-Term Care

The Maryland House of Delegates  
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*The Maryland House of Delegates*  
ANNAPOLIS, MARYLAND 21401

**Sponsor Testimony in SUPPORT of House Bill 29**

***Vehicle Laws - Failure to Pay Video Toll - Penalties***

**March 3, 2022**

House Bill 29 is in the same posture as bills which passed the House of Delegates in 2020 and 2021 thanks to the good work of this committee. Under the bill, suspension of a vehicle registration for video toll debt would no longer be permissible, but flagging for non-renewal would still be allowed.

Maryland is an outlier in allowing the suspension of vehicle registrations for video toll debt which contributes to the criminalization of poverty. A better practice, used successfully in many states, is to simply flag the registration for non-renewal.

In 2020, MDTA created its own perfect storm by deciding to permanently implement statewide cashless tolling not long after switching vendors and pausing the mailing of all video tolls and certain E-ZPass transactions. The resulting dramatic increase in backlogged toll transactions hitting drivers now underscores the importance of fixing this policy.

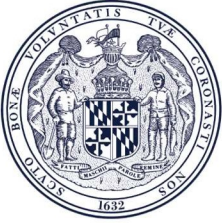
The sponsor amendment makes the bill an emergency measure and adds language requiring a performance audit, similar to the General Assembly's approach in 2019 to UMMS.

I ask for your favorable report.

**MDTA Letter to Delegate Carr HB0029 (1).pdf**

Uploaded by: Al Carr

Position: FAV



DEPARTMENT OF LEGISLATIVE SERVICES  
OFFICE OF LEGISLATIVE AUDITS  
MARYLAND GENERAL ASSEMBLY

Victoria L. Gruber  
Executive Director

Gregory A. Hook, CPA  
Legislative Auditor

February 25, 2022

Delegate Alfred C. Carr, Jr.  
Lowe House Office Building, Room 222  
6 Bladen Street  
Annapolis, Maryland 21401

Dear Delegate Carr:

As a unit of the Department of Legislative Services, the Office of Legislative Audits (OLA) takes no position on any legislation unrelated to its own statutes. The following information is provided at your request for the Committee's consideration of HB0029.

- OLA's September 13, 2021 audit report of the Maryland Transportation Authority (MDTA) identified several issues regarding tolling errors that were not adequately pursued by MDTA including duplicate billings and charges for the incorrect vehicle. This audit report was presented at the December 1, 2021 Joint Audit and Evaluation Committee hearing and the February 2, 2022 Appropriation Committee's Transportation and the Environment Subcommittee.
- MDTA's testimony during those hearings made mention that their customer service center was receiving approximately 15,000 calls daily related to E-ZPass issues.
- As of February 18, 2022, 58 complainants have contacted OLA's fraud, waste and abuse hotline about MDTA tolling issues since our report was published, with many having multiple complaints.
  - 22 complainants stated they were charged for a toll they did not incur (e.g., charged for a vehicle they did not own, charged a toll they did not incur, charged on a transponder that had been canceled).
  - 19 complainants stated that MDTA's customer service quality was poor (e.g., not timely and/or not effective).
  - 17 complainants stated they were charged an incorrect rate (e.g., charged full price when they had an E-ZPass or commuter plan) or were charged multiple times for the same trip.
  - 14 complainants had payment-related issues (e.g., replenishment charges were excessive, payments were not properly credited to their account, unable to make payments on their

account, accounts referred to CCU while tolls were still under dispute).

- 13 complainants had billing-related issues (e.g., received bills for transactions that occurred months to more than a year prior, never received an initial bill and are now being charged late fees, received new bills for transactions they had already paid).

In response to the complaints and legislative concerns shared with the OLA, in mid-February of this year, we initiated a limited review of selected tolling data to corroborate certain of the allegations and concerns.

Sincerely,

A handwritten signature in black ink that reads "Gregory A. Hook". The signature is written in a cursive, flowing style.

Gregory A. Hook, CPA  
Legislative Auditor



**HB0029\_FAV\_JOTF.pdf**

Uploaded by: Caleb Jasso

Position: FAV



*Advocating better skills, jobs, and incomes*

**TESTIMONY IN SUPPORT OF House Bill 29:**

**Vehicle Laws – Failure to Pay Video Toll – Penalties**

TO: Hon. Kumar P. Barve, Chair, and members of the House Environment and Transportation Committee

FROM: Caleb Jasso, Policy Advocate

DATE: March 3, 2022

The Job Opportunities Task Force (JOTF) is an independent, nonprofit organization that develops and advocates policies and programs to increase the skills, job opportunities, and incomes of low-skill, low-wage workers and job seekers in Maryland. We support **House Bill 29** because the practice of suspending the registration of a motor vehicle because the registered owner of the vehicle incurred a toll violation and failed to pay the toll and any associated civil penalties, contributes to the criminalization of poverty.

Current law allows for the Motor Vehicle Administration (MVA), to suspend the vehicle registration of a driver if they have incurred a toll violation and have been notified by Maryland Transportation Authority (MDTA) that a registered driver has both been served a citation and failed to submit payment, and or, has either failed to contest liability for the charge, failed to appear for trial, or was found to be responsible for the violation and failed to pay the penalty and associated costs. The practice of suspending a vehicle registration for the purposes of collecting debt is an ineffective means of collection as demonstrated by the majority of states that no longer do so; over 40 states no longer implement this practice.

When a vehicle's registration is suspended for a toll violation, the burden falls primarily on low-income residents who often do not have EZ-Passes and are already struggling to pay the fine. Cashless tolls do not allow drivers to pay the toll fee while driving. Also, many drivers do not have a bank account linked to refill their E-ZPass or the E-ZPass could malfunction. This means they have to pay the toll through a video toll charge, which is sent through the mail. The problem is that some customers are not receiving the charges through the mail. Furthermore, **House Bill 29** does not eliminate MDTA's ability to enforce payment as they still retain other enforcement practices such as suggesting vehicle registration nonrenewal; this has proven to be very effective as MDTA advises that as of April 2021, it has resolved nearly 1.4 million unpaid transactions by issuing suspension warning letters and flagging vehicle registrations, collecting a total of \$31.7 million in unpaid tolls and penalties.

The practice of suspending motor vehicle registration is harmful to drivers in many aspects. It will limit their access to healthcare, education, food, and other resources. This punishment limits a workers' ability to go to work which in turn, limits that individual's ability to pay their fines. For these reasons, we urge a favorable vote on **House Bill 29**.

# JOTF JOB OPPORTUNITIES TASK FORCE

*Advocating better skills, jobs, and incomes*

**For more information, contact:**

Caleb Jasso / Policy Advocate / [caleb@jotf.org](mailto:caleb@jotf.org) / 626-224-3543

**testimony2022hb29ltr.pdf**

Uploaded by: Franz Schneiderman

Position: FAV



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**Testimony to the House Environment and Transportation Committee  
HB 29 – Vehicle Laws – Failure to Pay Video Toll – Reform of Penalties –  
Position: Favorable**

March 3, 2022

The Honorable Kumar Barve  
Environment and Transportation Committee  
Room 251, House Office Building  
Annapolis, MD 21401  
cc: Members, Environment and Transportation Committee

**Honorable Chair Barve and Members of the Committee:**

I'm a consumer advocate and Executive Director of Consumer Auto, a nonprofit group works for safety, transparency, and fair treatment for Maryland drivers and car buyers.

Consumer Auto supports **HB 29** because we believe Maryland's existing practice of suspending vehicle registrations over relatively small toll debts is unduly punitive – especially for lower-income drivers who can quickly fall into debt traps as a result of Maryland's rather high toll violation fines and aggressive collection practices. Discontinuing the practice of suspending registrations as a result of those fines would relieve some of that pressure – and prevent some of those who struggle to pay these fines from facing still greater legal difficulties as they continue to drive (sometimes on suspended tags) to get to work and meet their other needs.

In the past these suspensions have impacted a surprisingly large number of Marylanders. Between 2015 and 2018, the MdTA put a hold on the renewal of vehicle registrations of more than 207,000 Marylanders and about 22,000 Marylanders had their tags suspended because of toll violations.

The many problems surrounding the state's move to all-cashless tolling and the huge backlog of 23 million toll fees that accrued while charges were suspended during the pandemic – and that the MDTA will be doling out to drivers for many more months – seem certain to make this situation even worse. With many drivers struggling to pay hundreds of dollars in belated toll fees arriving in recent months, outstanding debt and penalty fees are mounting for many – and putting many more drivers in the kind of toll debt that can cause them to get their vehicle registrations suspended.

After a state audit revealed that tens of thousands of Marylanders have been overcharged at Maryland's five cash-less toll facilities, we also have to wonder about the accuracy of some of the charges that are arriving on drivers' doorsteps. And many of these belated charges can be very difficult for drivers to verify – especially given the customer services struggles facing MdTA and the very long wait times drivers face when they try to call to sort out their bills.

While I'm glad to see that the MdTA has offered a temporary grace period that involves suspending additional fines for unpaid tolls for the time being, that suspension will only last through Nov. 30 and only those who pay off their outstanding balance in full by that time will have fines waived.



## **Auto Consumer Alliance**

13900 Laurel Lakes Avenue, Suite 100  
Laurel, MD 20707

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Yet these late-arriving toll charges have already created toll debts and accumulated fines for thousands of Marylanders. And since it is often lower-income Marylanders who are subject to video tolling because they lack an EZ-Pass transponder – or whose EZ-Pass accounts may fall into arrears because they can't automatically pay by credit card – those fines will hurt many Marylanders who are struggling financially and imperil the ability of some of those people to drive legally.

For too many Marylanders, these fines indeed can quickly become a kind of financial quicksand. They create a debt trap – and a threat to the vehicle registrations they need to maintain to be able to get to work, pursue their education, or access the services and supports they and their families need. And for those who struggle to pay these debts, the toll fees and fines can lead to criminal sanctions for driving an unregistered vehicle.

Only eight states now suspend or revoke vehicle registrations for outstanding toll violations. Maryland can provide relief to hard-pressed residents by joining the 42 states that DO NOT suspend or revoke registrations for toll fines.

**We support HB 29 and ask you to give it a FAVORABLE report.**

Sincerely,

Franz Schneiderman  
Consumer Auto

# **HB29 MCRC Testimony 2022.pdf**

Uploaded by: Isadora Stern

Position: FAV



**Testimony to the House Environment and Transportation Committee**  
**HB0029: Vehicle Laws – Failure to Pay Video Toll – Penalties**  
**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:

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 HB0029.

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.<sup>1</sup> 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.

HB0029 will eliminate registration suspension as a possible repercussion for drivers who fail to pay a video toll. Suspending registration is overly punitive and may have devastating effects on low-income

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Maryland Consumer Rights Coalition

drivers. Driving without registration is a hefty \$500 fine and may lead to potential restrictions on an individual's driver's license. Low-income Marylanders who owe a traffic citation, or judgement, risk the suspension of their registration due to an inability to pay the citation- in other words, due to poverty. Loss of registration means an individual may no longer be able to get to work and may lose their job; thus making it more difficult to pay their bills and other debts.

MCRC clients who work with us on financial counseling or tenant advocacy have a median income of \$20,000- for these individuals, an unexpected bill whether it is \$50 or \$500 is unaffordable and cataclysmic for their financial well-being. The threat of registration suspension added to this already devastating financial burden makes it nearly impossible to pay traffic tickets or other state fines that may have been the cause of the suspended registration to begin with.

This negative cycle and criminalization of poverty must come to an end. For all these reasons, we support HB0029 and urge a favorable report.

Sincerely,

Isadora Stern  
Policy Associate

## **HB29\_FAV\_Ali**

Uploaded by: Ragina Ali

Position: FAV



## **AAA Mid-Atlantic's Testimony in SUPPORT of HB 29 Vehicle Laws – Failure to Pay Video Toll – Penalties**

*Sponsor: Delegate Al Carr*

- AAA Mid-Atlantic supports **House Bill 29**, which repeals the authority of the Motor Vehicle Administration (MVA) to suspend the registration of a motor vehicle because the registered owner of the vehicle incurred a toll violation and failed to pay the toll and any associated civil penalties.
- Under current law, the MVA is required to refuse to renew or suspend the registration of any motor vehicle incurring an electronic toll violation if the Maryland Transportation Authority (MDTA) advises that a registered vehicle owner has failed to pay a toll and civil penalty for a toll violation or has not contested the toll violation within a specified time period.
- The MVA must also refuse to renew or suspend the registration if the MDTA or the District Court notifies the agency that a person who chose to contest a toll violation failed to appear in court for the violation or failed to pay the toll violation and associated penalties after being found guilty of the toll violation.
- AAA Mid-Atlantic is generally supportive of electronic tolling. For years, we have encouraged motorists to utilize E-ZPass whenever possible to minimize traffic congestion and motor vehicle-caused air pollution, increase safety, and speed traffic flow.
- However, in light of the on-going driver complaints and frustrations about exorbitant penalties for unpaid tolls, we believe that flagging or suspending the registration of those with unpaid toll violations and penalties is unfair at this time.
- According to multiple media reports and in conversations with AAA Mid-Atlantic members, in many cases, motorists with and without E-ZPass transponders were unaware they even had violations.
- Many were frustrated with trying to obtain information to resolve the matter, after waiting hours on the phone or trying unsuccessfully to speak to a customer service representative at all.
- I, personally experienced the same frustration for a minor violation that I wasn't even aware of since I do have an E-ZPass, but unknowingly had a video toll violation from 2020 that I learned of a year later.

- While AAA Mid-Atlantic is pleased that the MDTA has approved an eight-month waiver and payment options for toll customers to address what has clearly been a nightmare for many, our concern is that the issues may not be completely resolved within the “grace period,” which ends on November 30, 2022.
- We recognize the deferral of tolls during the pandemic may have been well-intended to provide relief for Maryland motorists during a challenging time; however, the unexpected bills and fees that have mounted for many has created a hardship within itself.
- On behalf of AAA Mid-Atlantic’s more than one million Maryland members, we urge the Committee to give **HB 29** a favorable report.

***Contacts:***

*Ragina C. Ali, AAA Mid-Atlantic  
Public and Government Affairs Manager  
443.465.5020*

*Sherrie Sims, GS Proctor & Associates  
Senior Associate  
410.733.7171*

# **HB 29 - Vehicle Laws – Failure to Pay Video Toll –**

Uploaded by: Robin McKinney

Position: FAV



**HB 29- Vehicle Laws- Failure to Pay Video Toll- Reform Penalties**  
**House Environment and Transportation Committee**  
**March 03, 2022**  
**SUPPORT**

Chairman Barve, Vice-Chair, and members of the committee, thank you for the opportunity to provide testimony in support of House Bill 29. This bill addresses consequences on Maryland drivers received through penalty from video toll violations that will exacerbate financial hardships.

The CASH Campaign of Maryland promotes economic advancement for low-to-moderate income individuals and families in Baltimore and across Maryland. CASH accomplishes its mission through operating a portfolio of direct service programs, building organizational and field capacity, and leading policy and advocacy initiatives to strengthen family economic stability. CASH and its partners across the state achieve this by providing free tax preparation services through the IRS program 'VITA', offering free financial education and coaching, and engaging in policy research and advocacy. **Almost 4,000 of CASH's tax preparation clients earn less than \$10,000 annually. More than half earn less than \$20,000.**

Many Marylanders pay to use roads to have access to their jobs, school, and other resources. Tolls can be paid by using E-ZPass, cash, and video tolling when cash is not an option. Cashless tolls do not allow drivers to pay the toll fee while driving. Over a third of drivers do not have a bank account linked to refill their E-ZPass and the E-ZPass can malfunction. This leads drivers to pay through a video toll charge, which is sent through the mail. Some customers are not receiving the charges through the mail until well past the due dates and are incurring unnecessary penalties.

The driver is supposed to be notified about the original charge, the failure to pay charge (\$50 per transaction), and then notified before the charges are sent to Maryland's Central Collection Unit (CCU). Another fee is added to the total amount sent to CCU. Once the fee is at CCU, there has to be an initial down payment made before being allowed to enter a payment plan. Some people do not receive these notices for various reasons. This means that for some drivers, they do not know what they owe until their balance is at CCU. This leaves them in tremendous debt with limited options.

The practice of suspending motor vehicle registration is harmful to drivers in many aspects. It will limit their access to healthcare, education, food, and other resources. This punishment limits a workers' ability to go to work. This will in turn limit that worker's ability to pay their fines.

This bill addresses this by:

- Repealing the requirement that the Motor Vehicle Administration, under certain circumstances, suspends the registration of a motor vehicle that incurs a certain toll violation.

**For these reasons, we encourage a favorable report on House Bill 29.**

# **HB0029 - MDTA - Failure to Pay Video Tolls - LOI\_F**

Uploaded by: Patricia Westervelt

Position: INFO

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March 3, 2022

The Honorable Kumar P. Barve  
Chairman, House Environment and Transportation Committee  
251 House Office Building  
Annapolis, MD 21401

**Re: Letter of Information – House Bill 29 – Vehicle Laws – Failure to Pay Video Toll – Penalties**

Dear Chairman Barve and Members of the Committee:

The Maryland Department of Transportation (MDOT) and the Maryland Transportation Authority (MDTA) takes no position on House Bill 29 but offers the following information for the Committee's consideration.

House Bill 29 proposes to repeal the requirement for the Maryland Department of Transportation Motor Vehicle Administration (MDOT MVA) to suspend the registration of a vehicle for failure to pay outstanding tolls and civil penalties. For Maryland drivers, this could result in a disadvantage by prolonging the amount of time customers have to accumulate toll debt, leading to higher debts before cases are resolved.

The MDTA operates the toll facilities in Maryland, with tolls being collected through a combination of electronic toll collection and video toll collection. When a customer passes through a toll facility and fails to pay an electronic toll with an *E-ZPass* transponder, video images are captured of the vehicle license plate. The images are reviewed so that the vehicle is either matched with an existing *E-ZPass* account, Pay-by-Plate payment method, or the registered owner is mailed a video toll invoice (Notice of Toll Due or NOTD) at the address on file with the MDOT MVA. The NOTD is not a fine or citation, but rather a way for non-*E-ZPass* customers to pay a toll.

Existing statute provides three measures designed for recouping past due tolls – civil penalties, flagging or suspending vehicle registrations, and referrals to the Central Collection Unit (CCU). A motorist will only receive a citation if they fail to pay a NOTD within 45 days. A motorist must pay the citation (the toll and penalty) in the allotted timeframe or contest the toll in court. If a person (1) fails to elect to stand trial or pay the prescribed video toll and civil penalty, (2) is adjudicated to be liable after trial, or (3) fails to appear at a trial after having elected to stand trial, the MDTA may refer the case to the MDOT MVA for suspension of or refusal to renew the vehicle's registration.

The MDTA is committed to responding to customers and resolving any outstanding *E-ZPass* concerns. Over the last few years, the MDTA has taken significant steps to improve its customer service, especially in assisting customers with resolving their toll debt. To both work with the requests of the Legislature and meet Governor Hogan's goal of reducing tolls and fines, the MDTA Board developed a plan that reduces civil penalties while maintaining equity and fairness for those who pay their tolls as required. In March 2020, the MDTA Board unanimously voted to lower the civil penalty for all toll violations to \$25, which took effect on July 1, 2020.



The Honorable Kumar P. Barve  
Page Two

It has been demonstrated that individuals with high toll debt will continue to amass multiple fines for failing to pay tolls. Consequently, repealing the MDOT MVA's ability to suspend the vehicle registration when an individual has reached the \$1,000 threshold will only exacerbate the outstanding amount of toll debt owed, increasing the likelihood that the customer's account will be referred to CCU, where they will be charged the additional 17% collection fee. Furthermore, the MDTA's ability to work directly with the customer to resolve their outstanding debt is greatly limited after referral to CCU. The current system in place serves, not only as an incentive to pay tolls in a timely manner, but also functions as an opportunity for customers to pay their debt before being faced with additional charges.

House Bill 29 would eliminate the opportunity to interact with customers who have unpaid toll debts. The ability to flag or suspend a vehicle owner's registration for non-renewal is an important tool that helps to address habitual toll evaders. By the time a request is made to suspend a vehicle registration, the vehicle owner has received numerous notices of the toll amount due, including the opportunity to contest the case in District Court. Since 2014, the MDTA has recouped \$31.7 million in outstanding unpaid tolls and penalties as a result of the suspension program and customers' awareness of the program. Customers often seek early resolution of unpaid tolls and penalties with MDTA to avoid escalation to the registration suspension program.

Since 1971, the MDTA has been responsible for constructing, managing, operating, and improving the State's toll facilities, as well as for financing new transportation projects under its purview, such as the Governor Harry W. Nice/Senator Thomas "Mac" Middleton Bridge in Charles County. The agency does not receive any State General Fund or Transportation Trust fund dollars and is instead entirely reliant on tolls collected from its users. In accordance with the MDTA's Trust Agreement with bondholders, toll revenues are first pledged to pay operating expenses, including debt service for bonds that are used to fund major transportation projects at existing and new facilities.

Eliminating the ability to suspend the registration of a vehicle for failure to pay outstanding tolls and civil penalties will extend the duration of delinquency and size of the debt. The Commercial Collection Agencies of America found "that the probability of full collection on a delinquent account drops drastically according to the length of delinquency." Consequently, House Bill 29 is detrimental to the customer by allowing more sizeable debt to accrue and to the MDTA by reducing the likelihood of full debt collection.

The Maryland Department of Transportation respectfully requests the Committee consider this information as it deliberates House Bill 29.

Respectfully submitted,

Bradley Ryon  
Manager, Government Relations  
Maryland Transportation Authority  
410-387-5253

Pilar Helm  
Director of Government Affairs  
Maryland Department of Transportation  
410-865-1090