



HB 29 - Vehicle Laws - Penalties for Failure to Pay Video Toll and Electronic Tolling Performance Audit
Senate Judicial Proceedings Committee
March 30, 2022
SUPPORT

Chair Smith, Vice-Chair, and members of the committee, thank you for the opportunity to provide testimony in support of House Bill 59. This bill addresses consequences on Maryland drivers received through penalty from video toll violations that will exacerbate financial hardships and add a level of accountability to Maryland Transportation Authority (MDTA).

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 that helps them access their jobs, school, and other resources, and 100% of Maryland toll road are cashless toll roads. Cashless tolls do not allow drivers to pay the toll fee while driving, so they must pay the toll by using an E-ZPass or by video tolling. The driver is supposed to be notified about the original charge, then receive a failure to pay charge (\$25 per transaction), and then be notified before their charges are sent to Maryland's Central Collection Unit (CCU). The problem is that many customers are not receiving the charges through the mail. This results in drivers being completely unaware about the charges they are accruing.

Unfortunately, there are numerous drivers who are unaware of their video toll charges until months after the original charge or until it is sent to Maryland's CCU. Since there is a fee on every transaction, fees tend to add up quickly. There will be at least two charges per trip on a toll road: one to drive to the destination and one to return. If a driver is unaware about the charges they are accruing, they can easily have 10 or more transactions in one week for using the toll roads for everyday activities. For example, one month of going to work 5 days a week can amount to \$1,000 in penalty fees. According to the Federal Reserve, we know that **many Americans would struggle to produce \$400 quickly**¹. This typically leads to negative credit scores, wage garnishments, and force many Maryland drivers to "toll bankruptcy."

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, and
- Requiring MDTA to submit an audit of MDTA's electronic tolling operations.

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

¹ [Federal Reserve](#)