



Maryland Consumer Rights Coalition

**Testimony to the Senate Judicial Proceedings Committee  
SB105: Vehicle Laws – Failure to Pay Video Toll – Penalties  
Position: Favorable**

January 18, 2022

The Honorable William Smith, Jr., Chair  
Judicial Proceedings Committee  
2 East, Miller Senate Office Building  
Annapolis, Maryland 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 SB105.

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.

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SB105 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 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 SB105 and urge a favorable report.

Sincerely,

Isadora Stern  
Policy Associate