JOTF JOB OPPORTUNITIES TASK FORCE

Advocating better skills, jobs, and incomes

TESTIMONY IN SUPPORT OF House Bill 335:

Maryland Transportation Authority - E-ZPass - Disputes of Charges and Fees

TO: Hon. Guy Guzzone, Chair, and members of the Senate Budget & Taxation Committee

FROM: Caleb Jasso, Policy Advocate

DATE: March 30, 2022

The Job Opportunities Task Force (JOTF) is an independent, nonprofit organization that develops and advocates for 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 335** because by providing E-ZPass account holders the ability to to dispute any charges or fees to the person's E-ZPass account within 1 year after the charge or fee is posted, **House Bill 335** will lessen the financial burden of Marylanders who may still be struggling because of the financial hardship caused by the ongoing COVID-19 pandemic and will expire on June 30th, 2023.

In an effort to lessen the financial burden caused by shutdowns and significant layoffs, EZ-Pass account transactions were deferred temporarily, although most customers believed that, due to the lack of charges for two years, the payments had been waived. To the dismay and surprise of many, EZ-Pass accounts were suddenly billed for all past usage at once. Not only were some bills extremely high due to the accumulation of deferred charges, but during the deferral period, EZ-Pass underwent a change in vendors which resulted in the upgrading of equipment. Although the much needed upgrades were a move in the right direction, the new system had glitches that had not been rectified which resulted in many transponder holders being **overcharged**.

According to a recent audit of MDTA conducted by the Office of Legislative Affairs (OLA), found that MDTA did not sufficiently determine the impact of certain issues with its electronic toll collection system on its customers and identify and correct related customer overbillings. Additionally a significant number of EZ-Pass users have not only been complaining of overbilling, but have had difficulty logging into their accounts to replenish their balance and resolve any type of payment or billing issue; these payment issues are now burdening customers with stiff financial penalties.

The billing issues associated with EZ-Pass have led, as of Monday March, 28th, **32,087 thousand Marylanders** to sign an ongoing petition, <u>found here</u>, requesting that Governor Hogan appoint a task force to investigate the issues further and that all actions and fees be held while the investigation takes place. According to the petition, and the thousands who have signed it, the billing issues are endless and abusive. Some of the many issues users have claimed to have encountered include receiving \$25 late fees without receiving any prior notices, transponders not working while drivers use tolls, bills being delivered

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well over a year late, as well as threats of withholding vehicle registration and tax refunds. Furthermore, EZ-Pass Customer Service has been overwhelmed, with a reported 93 agents handling an average of 15,000 calls per day. This has caused wait times to exceed well over 2 hours, sometimes reaching as long as four hours putting many customers at risk of never getting the help or answers to their questions they need.

The MDTA currently has a 7-month backlog of EZ-Pass transactions due to a combination of payment and fee deferment, system and transponder deficiencies, and other related factors that have caused an enormous buildup of customer complaints; the issues surrounding EZ-Pass have placed an undue financial hardship on many, during an already turbulent financial climate. For these reasons, we urge a favorable vote on **House Bill 335**.

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