

## Testimony to the Budget and Taxation Committee Maryland Transportation Authority - Tolls - Collection and Use (Maryland Toll Rate Reform Act of 2024) SB1093 Position: Favorable

The Honorable Guy Guzzone, Chair Budget and Taxation Committee 3 West, Miller Senate Office Building Annapolis, MD 21401 cc: Members, Budget and Taxation Committee

Chair Guzzone and Members of the Committee:

Economic Action Maryland (formerly the Maryland Consumer Rights Coalition) is a people-centered movement to expand economic rights, housing justice, and community reinvestment for working families, low-income communities, and communities of color. Economic Action Maryland provides direct assistance today while passing legislation and regulations to create systemic change in the future.

I appreciate the goals of SB1093 and recognize the need to generate revenue for transportation projects near Maryland Transportation Authority (MTA). I also understand that tolls are an effective mechanism to do so.

However, technical glitches in <u>EZ pass</u> and <u>toll</u> management and oversight led to more than 80,000 consumers being overcharged by sometimes tens of thousands of dollars. Tolls can be regressive if not appropriately <u>designed</u> and if discounts are not automatically provided for low-income and vulnerable groups.

For these reasons, we believe that discounts for certain populations are necessary to offset the potential costs to consumers that may be passed on via the tolls.

Therefore we urge the adoption of the amendment below:

4 (II) THE AUTHORITY SHALL CONSIDER: 5 1. OFFER<del>ING</del> DISCOUNT RATES FOR SENIORS, DAILY 6 COMMUTERS, LOW–INCOME STATE RESIDENTS, MARYLAND E–ZPASS HOLDERS, 7 AND STATE RESIDENTS WHO LIVE IN THE VICINITY OF THE TRANSPORTATION 8 FACILITY; AND 9 2. INSERT [CONSIDER] THE DISCOUNT RATES OFFERED IN DETERMINING 10 THE NEAR OPTIMAL TOLL RATE

For these reasons, we support SB1093 favorable with the proposed amendment stated above and to work with the committee to design appropriate discounts for vulnerable populations.

Best,

Marceline White Executive Director

2209 Maryland Ave · Baltimore, MD · 21218 · 410-220-0494 info@econaction.org · www.econaction.org · Tax ID 52-2266235

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