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HOUSE BILL 38 Vehicle Laws – Failure to Pay Video Toll – Reform of Penalties (Carr, et al)

STATEMENT OF INFORMATION

DATE: February 6, 2020

COMMITTEE: House Environment & Transportation Committee

SUMMARY OF BILL: HB 38 establishes a \$5 civil penalty for video toll violations and reduces all outstanding civil penalties assessed on or before September 30, 2020 to the \$5 maximum; and prohibits the Motor Vehicle Administration from suspending the registration of a motor vehicle as a consequence of a video toll violation

EXPLANATION: The Department's Central Collection Unit (CCU) is charged with collecting delinquent debt owed to the State, including video toll debt. CCU does not receive a general fund appropriation as do other units of DBM; CCU's operations are paid for by a 17% collection fee. Any special funds not needed to fund CCU's operations revert to the General Fund.

CCU has approximately 4.4 million active video tolling debts, the value of which would have to be reduced from the current \$50 civil penalty amount to \$5. CCU's collection fee of 17% would have to be reduced by \$7.65. The bill would require current delinquent accounts to be reduced by \$197.3 million and collection costs reduced by \$33.5 million.

CCU's collection costs require a minimum threshold of \$30 before new debt would be assigned to CCU for collection. Under the provisions of this legislation, an individual could accumulate more than six toll violations before the delinquent debt would be assigned to CCU.

**For additional information, contact Barbara Wilkins at
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