



HB 291 - Vehicle Laws – Failure to Pay Video Toll – Outstanding Fines
Environment and Transportation Committee
January 21, 2021
SUPPORT

Chairmen Barve, Vice-Chair and members of the committee, thank you for the opportunity to provide testimony in support of House Bill 291. This bill would lower the \$50 penalty for outstanding toll violations to \$25.

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 to have access to their jobs, school, and other resources. Tolls can be paid by using E-ZPass, cash, and video tolling when cash is not an option. Cashless tolls do not allow drivers to pay the toll fee while driving. The driver is supposed to be notified about the original charge, the failure to pay charge (\$50 per transaction), and then notified before there charges are sent to Maryland's Central Collection Unit (CCU). Many drivers do not have a bank account linked to refill their E-ZPass or the E-ZPass could malfunction. This means they have to pay the toll through a video toll charge, which is sent through the mail. The problem is that some customers are not receiving the charges through the mail. A driver can be completely unaware that they are accruing charges.

There will be at least two charges per trip on a toll road- one to drive to the destination and one to return. Depending on the road used, a video charge is no more \$12 but can be as low as \$2.54¹. If a driver is unaware they are accruing charges, they can easily have 10 or more violations for using the toll roads for everyday activities. There will be a \$50 penalty on every charge. One week of going to work can amount to \$500 in penalty fees. **We know that many Americans would struggle to come up with \$400² quickly.** On top of video toll charges and the penalty fee on each charge, another fee is added to the total amount sent to CCU. Once the fee is at CCU, there has to be an initial down payment made before being allowed to enter into a payment plan. Many drivers are unaware of their charges until they are sent information by Maryland's CCU. Once at CCU, their options are extremely limited and require a significant amount of money to remedy.

¹ https://mdta.maryland.gov/Toll_Rates/rates_Index.html

² <https://www.federalreserve.gov/publications/2019-economic-well-being-of-us-households-in-2018-dealing-with-unexpected-expenses.htm>



Maryland's current system is financially punitive, which is a barrier to people paying their original charge. Not only is the \$50 fee per transaction a harmful financial burden, but it also decreases the driver's ability to be accountable for their fee. This leads to negative credit scores, wage garnishments, and has led some Maryland drivers to "toll bankruptcy". This bill addresses these concerns by reducing the civil penalty to \$25 per charge.

For these reasons, we encourage a favorable report HB 291.