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Position: FAV



Auto Consumer Alliance
13900 Laurel Lakes Avenue, Suite 100
Laurel, MD 20707

Testimony to the Senate Judicial Proceedings Committee
SB 285 – Vehicle Registration – Fee Due to Outstanding Warrant – Repeal
Position: Favorable

Feb. 6, 2024

The Honorable Will Smith
Judicial Proceedings Committee
2 East, Miller Senate Building
Annapolis, MD 21401
cc: Members, Judicial Proceedings Committee

Dear Chairman Smith and Committee Members,

I'm a consumer advocate and Executive Director of Consumer Auto, a non-profit group that works to foster safety, transparency, and fair treatment for Maryland drivers and car buyers.

We support **SB 285** because it will provide some Marylanders with relief from dated, extra registration fees that add to the high (and rising) costs of car ownership and transportation that no doubt create additional barriers for some Marylanders working to rebuild their lives after having problems with the law in the past.

Indeed, the Motor Vehicle Administration (MVA) itself has noted that the registration restoration fees this bill would eliminate often fall on those already struggling financially and (in part for that reason) often in any event go unpaid. And that technological changes in processing such legal issues mean the fees are no longer necessary to recover additional costs.

We applaud the agency's effort to eliminate these unnecessary fees that can make it more expensive and more difficult for some Marylanders to rebuild their lives.

We support SB 285 and ask that you give it a FAVORABLE report.

Sincerely,

Franz Schneiderman
Consumer Auto

SB 285 - Fee Due to Outstanding Warrant - Repeal -

Uploaded by: Kam Bridges

Position: FAV



Advocating better skills, jobs, and incomes

Testimony in Support of Senate Bill 285

Vehicle Registration - Fee Due to Outstanding Warrant - Repeal

TO: Hon. William C. Smith, Jr., and Members of the Senate Judicial Proceedings Committee

FROM: Job Opportunities Task Force

DATE: February 6, 2024

The Job Opportunities Task Force (JOTF) is an independent, nonprofit organization that develops and advocates policies and programs to increase the skills, job opportunities, and incomes of low-wage workers and job seekers in Maryland. **JOTF supports Senate Bill 285, which repeal the fee assessed by the MVA against an applicant to register a vehicle that had previously been refused due to an outstanding warrant.**

JOTF supports this legislation as a common sense measure to limit unnecessary financial penalties being levied against vulnerable populations. According to the MVA itself, the restoration fee is now part of an outdated model that was intended primarily to cover the administrative costs of enforcing the registration refusal. However, the fee is now unnecessary due to modern infrastructure upgrades to MVA's technology systems. MVA also notes the fee is charged primarily to customers who are already facing financial hardships. The removal of the fee is intended to help streamline MVA's operations without unnecessary financial hardships to customers who can least afford it. Further, MVA advises that owners are able to circumvent the restoration fee on a particular vehicle by registering a different vehicle after the warrant has been satisfied, as the restoration fee is tied to the previously registered vehicle.

JOTF consistently supports efforts to help increase access to jobs and employment opportunities for low wage Marylanders. Lack of transportation is a consistent barrier amongst Marylanders, and a lack of proper vehicle registration forces many Marylanders to either risk arrest and incarceration while driving to work, or limits their access to jobs that require a personal vehicle. Removing the fee assessed after a previous refusal due to an outstanding warrant so an individual may register the vehicle properly will help open career options for Marylanders.

For these reasons, JOTF supports Senate Bill 285 and urges a favorable report.

For more information, contact:

Kam Bridges / Senior Public Policy Advocate / Kam@jotf.org

SB0285 - MVA - Fee Due to Outstanding Warrant - Re

Uploaded by: Pilar Helm

Position: FAV

February 6, 2024

The Honorable William C. Smith, Jr.
Chair, Senate Judicial Proceedings Committee
2 East, Miller Senate Office Building
Annapolis MD 21401

RE: Letter of Support – Senate Bill 285 – Vehicle Registration – Fee Due to Outstanding Warrant – Repeal

Dear Chair Smith and Committee Members:

The Maryland Department of Transportation (MDOT) supports Senate Bill 285 as it removes an outdated fee that imposes a punitive burden on those least able to afford it.

Senate Bill 285 removes both the authority to and requirement that the Motor Vehicle Administration (MVA) charge a restoration fee to vehicle owners whose registration was flagged as the result of an active arrest warrant in the past.

The restoration fee was originally instituted to cover the administrative costs of enforcing the registration refusal. In recent years, the MVA replaced its legacy information technology (IT) system with its current *Customer Connect* system. This modern infrastructure provides MVA agents with streamlined driver and vehicle services, reduces the use of paper forms, enhances security, and provides customers with access to over 60 online transactions.

Further, the recent rollout of *Customer Connect* at the MVA and corresponding carryover of legacy system balance sheets compounds inefficiencies in mandating the assessment of the outstanding arrest warrant restoration fee. An overall balance of \$1,161,126 in uncollected fees was carried over from the MVA's legacy systems. Since *Customer Connect* was deployed, the MVA has accrued an additional uncollected balance of \$120,114 in outstanding restoration fees, further exacerbating the imbalance on accounting sheets. In addition to the inefficiencies resulting from the MVA issuing the fee, this process not only hinders the person with the warrant but also any co-owner who may have to pay the flag fee for a renewal under this section. In some instances, a customer who is a co-owner has to resort to obtaining a court order requiring the MVA to renew or allow registration of a vehicle in the customer's name despite the outstanding arrest warrant fee on the record.

In addition to the fee now being unnecessary from an administrative standpoint, many customers face an added financial burden of other legal fees and court fines issued in conjunction with outstanding arrest warrants. The removal of the \$30 restoration fee charged by the MVA would help such individuals lessen financial hardships.

The Honorable William C. Smith, Jr.
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For these reasons, the Maryland Department of Transportation respectfully requests the Committee grant Senate Bill 285 a favorable report.

Respectfully submitted,

Christine E. Nizer
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Maryland Motor Vehicle Administration
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Director of Government Affairs
Maryland Department of Transportation
410-865-1090