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The Maryland Department of Transportation (MDOT) supports Senate Bill 285 as it removes an outdated fee that imposes a punitive burden on those least able to afford it.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

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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
Administrator
Maryland Motor Vehicle Administration
410-787-7830

Pilar Helm
Director of Government Affairs
Maryland Department of Transportation
410-865-1090