



**Testimony to the Senate Judicial Proceedings Committee
SB 941 -- Transportation-Related Fines and Tolls --
Income-Based Installment Payment Plans
Position: Favorable**

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

March 5, 2025

Dear Chairman Smith and Committee Members,

I'm a consumer advocate and Executive Director of Consumer Auto, a nonprofit group that works to secure safety, transparency, and fair treatment for Maryland drivers and consumers.

We support **SB 941** because allowing some of the thousands of Marylanders who owe more than \$250 in video toll fees and related penalties to use an income-based payment plan will ease the burden our system of toll fines and fees puts on many low- and middle-income Marylanders – and help the state collect some of the estimated almost \$200 million owed in outstanding toll debt.

As a result of our relatively high fines for failure to pay toll fees (a \$25 fine for each toll a person is more than 30 days late in paying) and aggressive collection practices (debts are generally referred to the Central Collection Unit after 90 days, and the CCU adds a 17% surcharge as a collection fee and can garnish wages and interrupt public benefits and even tax refund checks to collect toll debt), video toll fees can and often do quickly become a debt trap for many Maryland drivers.¹

Worse still, because Maryland is one of a small number of states that flags car registrations for non-renewal or even suspends current registrations over toll debts, those debts not only harm their credit records and finances but can and frequently do cost people the ability to drive legally.

This happens to thousands of Maryland drivers. Last June, WMAR-TV reported that, as of May 31, 2024, more than 46,000 Maryland faced toll flags that left them either facing suspension of their car registrations or would make them unable to renew their registration without first clearing toll-related debts that may mount into thousands of dollars. They found that more than 412,000 MD drivers owed a remarkable \$58 million in toll debt and almost \$200 million in related fees. Many drivers report being unaware of such debts as a result of billing delays and other issues, until they learn that they're hundreds or even several thousand dollars in debt.²

¹ <https://www.thebaltimorebanner.com/ez-pass-maryland-transportation-authority-HRWI4B3BVNHPBHQGS27RRUNYSE/>

² <https://www.wmar2news.com/matterformallory/thousands-of-maryland-drivers-cant-register-their-cars-due-to-toll-flags>



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One of the reasons the state ought to offer some relief to indebted drivers is that serious mistakes in toll fees issued by the state have helped put some of them in debt. A 2023 audit, for instance, identified 82,000 toll overcharges in the Maryland system, for instance, including charges totaling about \$545,000 to more than 11,000 Hatem Bridge discount plan drivers.³

Under existing rules, some drivers who owe more than \$150 in toll-related debt can establish a payment plan to meet their debts. But not everyone can get approved for a payment plan; drivers report that the process of trying to get one, and the amounts they may have to pay, are capricious and unreliable.⁴

SB 941 would make clear that those with toll-related debts of more than \$250 can apply to participate in an income-based repayment plan and mandate that the state establish appropriate eligibility and verification standards, payment options, and application procedures for such a program. If a person enters into such a program, but fails to meet his or her obligation to pay down the debt, that debt could still be referred to the Central Collection Unit, which can use all its available tools to collect the arrearage.

Setting up the kind of income-based payment plans **SB 941** mandates would give thousands of drivers a fairer chance to meet their toll debts, and surely help the state recover some debts Maryland otherwise would be very unlikely to recoup.

We support SB 941 and ask you to give it a FAVORABLE report.

Sincerely,

Franz Schneiderman
Consumer Auto

³ Ibid.

⁴ <https://www.thebaltimorebanner.com/ez-pass-maryland-transportation-authority-HRWI4B3BVNHPBHQGS27RRUNYSE/>