
March 12, 2026

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

RE: Letter of Concern – Senate Bill 965 – Maryland Transportation Authority – Video Tolls – Collection

Dear Chair Smith and Committee Members:

The Maryland Department of Transportation (MDOT) and the Maryland Transportation Authority (MDTA) take no position on Senate Bill 965 but respectfully offer the following concerns for the Committee's consideration.

SB 965 authorizes the MDTA to waive certain tolls due or penalties assessed on a delinquent account without recalling the debt from the Central Collection Unit (CCU). MDTA must notify the CCU if any portion of the debt is waived. Finally, the bill requires the CCU to reduce its fees based on the revised debt amount.

The MDTA was established in 1971 by the Maryland General Assembly to finance, construct, operate, and improve the State's toll facilities. The MDTA is a self-sufficient, non-budgeted State agency that receives no money from the State's General Fund or the Transportation Trust Fund. Maryland toll roads are financed by toll revenues, and such revenues are reinvested in the operation and maintenance of the toll facilities. While the MDTA may waive a civil penalty, it may not waive the underlying toll. MDTA policies and tolling operations must adhere to the Trust Agreement between the MDTA and its Trustee. The MDTA's Trust Agreement with its bondholders prohibits free passage. Even with the statutory authority created through SB 965, MDTA cannot waive the toll amount due since providing free passage is expressly prohibited by MDTA's Trust Agreement.

It should be noted that before toll transactions are referred to CCU, customers receive five notices and are given a minimum of 90 days to pay their toll debt. Additionally, MDTA mails any video toll customer who has received a Notice of Toll Due a follow-up reminder of the need for payment before that unpaid toll escalates to the civil penalty step. The MDTA currently has the authority to reclaim debt from CCU in the event of MDTA error. The MDTA and CCU continue to collaborate on efforts to improve customer interactions. One of those efforts is for the MDTA to send referrals to CCU at an account level instead of an individual level. That is, instead of sending individual transactions to CCU, multiple transactions owed by the same account are rolled up into one account and sent to CCU. In its individual capacity, the MDTA established its own installment plan program to assist customers who have a minimum of \$300 in

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outstanding toll debt; however, any debt that has been referred to CCU is not eligible for this installment plan program.

The Maryland Department of Transportation and the Maryland Transportation Authority respectfully request that the Committee consider this information when deliberating Senate Bill 965.

Respectfully submitted,

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