

60 COMMUNITY DRIVE AUGUSTA, MAINE 04330-9486 (207) 623-8428 www.memun.org

## Testimony of the Maine Municipal Association

## In Opposition to

LD 1479- An Act to Make Certain Traffic Infractions Secondary Offenses
February 25, 2022

Senator Dechambault, Representative Warren and distinguished members of the Criminal Justice and Public Safety Committee my name is Rebecca Graham, and I am offering testimony in opposition to LD 1479 at the direction of our 70-member Legislative Policy Committee. While the last amendment that was shared with the Department of Public Safety, and MMA has subsequently reviewed, removes several safety and operation offenses that are important to municipalities to address, this version is still undermining quality of life concerns residents consistently complain about while creating additional tax evasion incentives.

Everyone, regardless of their personal circumstances, agrees to uphold their community responsibility for operating a motor vehicle on roads used and maintained by all when they are issued a license. Historically, traffic enforcement was conducted on a civil suit basis and organizations like the American Automobile Association provided education to get voluntarily compliance for the rules of the road but that did not work. Fast forward a hundred years and we have more cars than individuals in this state, roads we are unable to afford to adequately maintain and virtually non-existent public transportation.

Municipal officials believe removing tools for law enforcement to provide learning opportunities to young drivers, protect pedestrians, provide much needed adherence to resident obligation to provide for the maintenance of roads through their mandatory excise tax payments is the wrong path to follow. While seemingly innocuous, the violations listed in the amended version of LD 1479 are often the most frequent offenses citizens complain to police about because they directly impact the quality of life for residents. As drafted, LD 1479 is missing the Maine context for how these violations are used to advance local goals.

Officer discretion is vital when conducting a traffic stop and provides opportunities for the operator to understand why such regulation is necessary and why they have a responsibility to the rest of the community by operating with due regard. The amended version of LD 1479 creates a legal loophole for tax evasion by some of the most capitalized individuals in the state by allowing them to never be stopped for failing to pay for their vehicle use on Maine roads.

LD 1604 passed out of this committee last week already created a significantly advantageous tax evasion loophole for owners of high-end vehicles frequently used under existing law. The bill tipped the

calculated risk factor overwhelmingly in favor of avoiding paying registration fees or changing your registration from another state once officially residing in Maine, by making it lucrative for expensive vehicle owners to taking a chance at receiving \$100 fine for cutting a \$1,920 tax bill in half. After eight months of operating unregistered, by state statute, the registration fee is ½ the annual excise tax amount, not the full amount contrary to testimony provided to the committee last week.

Under the LD 1604 scenario the Secretary of State will still receive the \$35 registration fee regardless of when a vehicle is registered, while the community where the individual resides, possibly has children enrolled in school, and has their sidewalks and roads maintained, will lose half their collectable revenue to pay for those services. This loophole will only be used and abused by those with the most capacity to pay the user fee, while Mainer's who live at the margins and struggle to pay their \$65 excise tax bill will remain those most compliant in their community obligations to avoid a \$100 ticket.

Full Excise Tax Paid

	Mil Rate		\$10,000		\$20,000		\$50,000		\$80,000	
Year 1	\$	24.00	\$	240	\$	480	\$	1,200	\$	1,920
Year 2	\$	17.50	\$	175	\$	350	\$	875	\$	1,400
Year 3	\$	13.50	\$	135	\$	270	\$	675	\$	1,080
Year 4	\$	10.00	\$	100	\$	200	\$	500	\$	800
Year 5	\$	6.50	\$	65	\$	130	\$	325	\$	520
Year 6+	\$	4.00	\$	40	\$	80	\$	200	\$	320

Tax paid at 8 months

	\$10,000	\$20,000	\$50,000	\$80,000
Year 1	\$120	\$240	\$600	\$960
Year 2	\$88	\$175	\$438	\$700
Year 3	\$68	\$135	\$338	\$540
Year 4	\$50	\$100	\$250	\$400
Year 5	\$33	\$65	\$163	\$260
Year 6+	\$20	\$40	\$100	\$160

LD 1479 is worse because not only will it remove any incentive at all to re-register an \$80,000 vehicle at all, but it will also further exacerbate the likelihood that an individual who is financially struggling will be able to avoid further penalties. If LD 1479 is enacted as drafted, the priority to stop these tax avoidance behaviors will not go away. Communities will direct their law enforcement professionals to prioritize writing tickets for these violations, when possible, in addition to any primary offense which will also receive a violation summons.

Rather than reduce the impact of fines, the individual will receive two associated violations for a traffic stop that may have otherwise resulted in a warning and opportunity to correct their actions. Should the operator not be able to afford both fines, the subsequent towing and impound fees, or fail to appear to a requesting hearing for additional charges, each charge could result in two additional separate charges, suspension, and further financial pain.

Officers use their existing discretion courteously and with great sympathy for operators in current law. Promoting a policy that will have the net effect of reducing this discretion because it is designed to unpalatably benefit wealthy vehicle operators is inappropriate. As the Bureau of Motor Vehicles testified in 2019, at that time there were over 30,000 expired registrations in the state at a cost of \$1,050,000 to the state coffers alone, not including what was due to the communities. LD 1479 would effectively increase those numbers, reduce compliance, double penalize those most living at the margins and provide those with the most ability to pay every reason to avoid doing so based on proportional risk to the significant benefit of ignoring the law.

LD 1479 will also remove a tool that allows the state to pursue neglectful parents for administrative child support enforcement license suspensions and protect responsible Maine citizens from the spiraling costs of insurance through penalties targeting known insurance risks such as not filing your insurance information following an accident where the operator was uninsured. Without these enforcement mechanisms, the citizens of Maine are likely to see a steep increase in insurance premiums as companies evaluating risk will interpret the removal of tools for law enforcement to address irresponsible operators as a significant risk to insurance premiums. As a result, responsible operators will shoulder the risk through increased costs that will also impact those who struggle to maintain their insurance premiums currently.

These infractions are not matters clogging our court system, but they will be because of local desire to ensure these behaviors are dealt with at the behest of the residents who directly pay for their enforcement priorities, shoulder the financial risks of uninsured motorists, and desire quite neighborhoods free of squealing tires.

For these and a multitude of tangible case related reasons law enforcement is likely to share, including the discovery of homicide victims, trafficked individuals, interruption of domestic violence situations, and the arrest of violent criminals from routine traffic stops, municipal officials ask that you review penalties not remove tools as proposed by LD 1479 and vote ought not to pass on these measures.