

# Equity Action Plan Update

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BATA Electronic Payments Section

June 8, 2022



# Equity Actions: Completed

- Reduced Penalties
  - First Notice: \$25 to **\$5**
  - Second Delinquent Notice: \$45 to **\$10**
- Reduced tag deposit: \$20 to **\$5**
- Reduced opening balance deposit for cash/check customers: \$50 to **\$25**
- Eliminated cash payment network fees
- Expanded multi-language resources
- Offered one-time penalty waivers (as of January 2021)

# Equity Actions: Underway

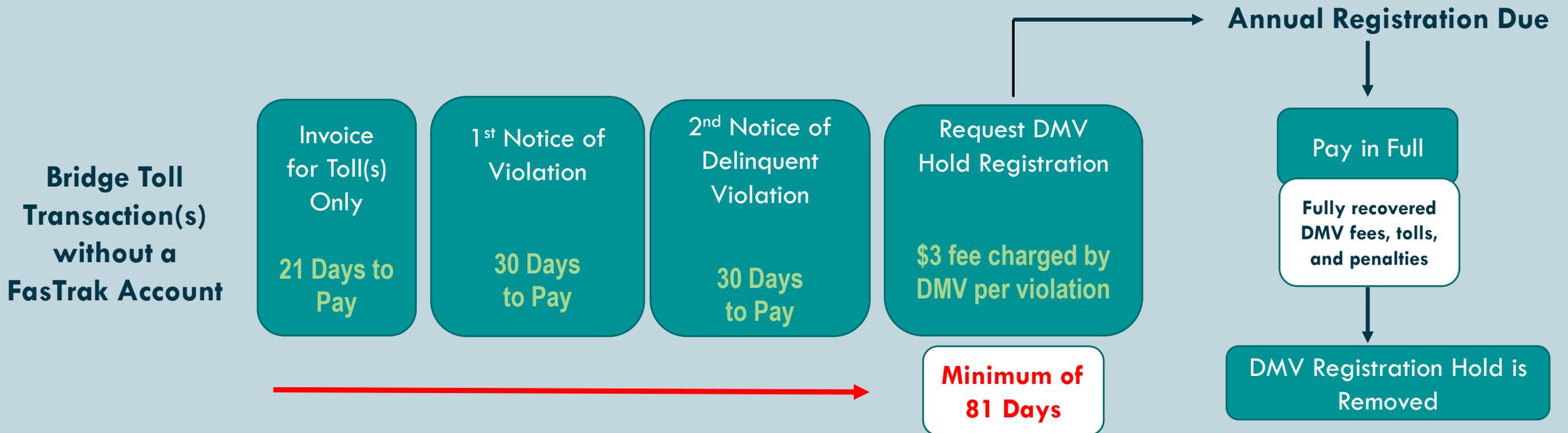
- Launch mobile app for FasTrak<sup>®</sup> - Summer 2022
  - Manage FasTrak<sup>®</sup> account and pay invoices and violations
  - Not for toll payment
- Customer research
  - Feedback on toll policies and customer service practices
  - Community engagement survey and focus groups

# Priority Areas to Address

- Backlog of unpaid violation notices
- Payment plan pilot

# Unpaid Violation Notices

# DMV Registration Hold Process



# Backlog of Violations Pending Action

- From January 2021 through May 2022, more than **half a million** vehicles have approximately **8.8 million** outstanding violations not yet released to DMV for a vehicle registration hold or to collections.
- This represents **more than \$50 million** in outstanding tolls.
- DMV will not accept transactions older than three years.
- Transactions will start timing out in January 2024.

# Staff Recommendation

- Approval to resume escalations of unpaid violations to the DMV for registration hold and to collections:
  - Process commercial vehicle violations for DMV registration holds
  - Set up pre-qualification for payment plans for low-income violators and pull those qualified off DMV registration hold
  - Process remaining violations for DMV registration hold or collections, except for those who pre-qualify for payment plan

# Payment Plan Pilot Update

# Available to All vs. Means-Based

Considerations	Available to All	Means-based
<b>Initial upfront payment (tolls &amp; DMV fees)</b>	Potentially high, creating a barrier to entry for low-income customers	Opportunity to offer more manageable payment amounts
<b>Monthly payment amounts</b>	Potentially high depending on outstanding balance	Option to spread out over longer duration to help lower payment amounts
<b>Timing of DMV registration hold release</b>	Released after initial payment for those who can afford to pay initial amount	Released after tolls and DMV fees are partially paid
<b>Agency fiduciary risk</b>	Meet financial obligations immediately to minimize risk	Longer timeline to meet financial obligations with some risk shifted to the agency
<b>Agency costs</b>	<ul style="list-style-type: none"> <li>• Vendor contract/change order</li> <li>• Operational/back-office changes</li> </ul>	<ul style="list-style-type: none"> <li>• Vendor contract/change order</li> <li>• Operational/back-office changes</li> <li>• Eligibility screening</li> </ul>

# Staff Recommendation

- Develop a Means-Based Pilot Payment Plan
  - Focus on customers with greatest need for assistance
  - Eligibility requirements same as Clipper START
    - 200% or less than federal poverty level
  - Make payments more affordable
  - Provide more flexibility for making payments

# Recommendations

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- Approve Contract Change Order: FasTrak® Regional Customer Service Center Resume Escalation to DMV and Collections and Develop Means-Based Payment Program: Conduent State and Local Solutions, Inc. (\$1,000,000)
- Approve other expenditures to develop a means-based payment plan pilot (will go to MTC Operations Committee in July for approval):
  - Eligibility Verifier Services: Cubic Transportation Systems, Inc. (\$800,000)
  - Payment Plan Website and Verifier System: Salesforce Integrator TBD (\$1,000,000)
- Approve resuming escalating unpaid violations to the DMV for registration hold and to collections
- Approve development of a means-based payment plan pilot



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