

Metropolitan Transportation Commission and Association of Bay Area Governments
Joint MTC ABAG Legislation Committee

June 10, 2022

Agenda Item 3a

Assembly Bill 2594 (Ting): Toll Penalties and Payment Options

Subject:

Lowers maximum toll penalties, requires payment plans for toll penalties, cash payment options, and sets forth minimum customer service hours of operation.

Overview:

AB 2594 (Ting) aims to reduce the financial burden that motorists can find themselves in, sometimes by accident, as a result of using toll facilities without a valid electronic payment account (such as, FasTrak[®] for the S.F. Bay Area). The bill lowers the maximum toll penalties allowed under state law and requires a payment plan option. It sets minimum in-person and telephone hours of operation for customer service centers and mandates that transponders should be available to purchase along with cash transactions to pay for penalties and add value to an account within 15 miles of *all entry point* to toll facilities. In an effort to improve the accuracy of the addresses to which toll agencies send a toll violation notice (based on the Department of Motor Vehicles (DMV)'s vehicle registration system), the bill requires the DMV to notify a person that when they obtain or renew their driver's license, they may need to *also* update their address for purposes of vehicle registration.

Recommendation: Support if Amended / MTC

Discussion:

Since AB 2594 was introduced in February, MTC leadership and staff met with Assemblymember Ting and expressed support for his goal of making toll penalties less financially burdensome statewide and ensuring that motorists can easily enroll in FasTrak and pay outstanding tolls and penalties with cash. Assemblymember Ting shared that he recognizes the essential role that bridge tolls (and express lanes) play in the Bay Area's (and state's) transportation system and does not want to undermine payment of tolls. Since then, staff has been in regular communication with Assemblymember Ting's office to share additional technical concerns with the bill, as currently drafted, and worked on potential amendments with the California Toll Operators Committee—an informal association of the state's various toll bridge, toll road and express lane operators.

While negotiations are ongoing, consensus among the toll agencies and Assemblymember Ting's office appears to be emerging around the following provisions:

- **Penalties for All Toll Facilities:** Require toll agencies waive penalties for a first-time toll violator if they enroll in FasTrak. (This is consistent with our current practice.)
- **Penalties for Toll Bridges:** Set a \$25 cap on penalties for the first notice of a bridge toll violation (per violation) and a \$50 cumulative cap on penalties (per violation) for the second notice. (Note: this would not affect Bay Area Toll Authority (BATA), but would affect the Golden Gate Bridge, Highway & Transportation District, which still has an initial penalty of \$25 and a cumulative penalty of \$70 per violation.)
- **Grace Period for Toll Bridge Violation:** Establish a 15-day grace period for the first notice of a bridge toll violation during which only the unpaid toll amount is due; if unpaid within that timeframe, a penalty of up to \$25 would be allowed. (Note that for the BATA, this would be \$5 under our current schedule.)
- **Express Lanes and Toll Roads:** A \$100 cumulative cap on penalties per violation, which would not affect the Bay Area's penalties.
- **Payment Plans:** Require toll agencies offer a payment plan to pay off penalties in excess of \$200 for persons living in a low-income household (with a gross income at or below 200 percent of the federal poverty level), as determined by the toll agency. Authorize vehicle registration renewal if payment plan is in good standing.
- **Cash Options:** Require toll agencies charge no extra fee for the use of cash to obtain a transponder, if sold/leased directly by the issuing agency (or its customer service center); Require two or more retail outlets (which includes cash payment locations), kiosks, or customer service centers in each county in which a toll facility operates in which a person can load funds onto an account and pay tolls or violations with cash.
- **Customer Service:** Require at least one in-person customer service location within the jurisdiction of the toll agency where a person can obtain a transponder; and at least two physical locations within *each county* in which a toll facility is located where a person can load funds onto an account, pay any amounts due, and register or remove a vehicle from an account; Set minimum in-person and telephone customer service hours to include evening and weekend hours.

How Would Bill Impact BATA's Equity Action Plan?


BATA has a significant head start when it comes to AB 2594, having already taken numerous steps to ease the financial impact of toll penalties, make FasTrak transponders widely available through retail options, authorize toll payment and account replenishment at cash payment networks, and lower the costs associated with opening and replenishing a FasTrak account with cash. As a reminder, in December 2021, BATA lowered the penalty structure from \$25 to \$5 for the first violation notice and from \$70 to \$15 for the second notice and made such reductions retroactive to any penalties paid since January 1, 2021.

Meanwhile, the Bay Area Infrastructure Financing Authority (BAIFA), a Joint Powers Authority governed by the same board as MTC and which administers the I-880 and I-680 Express Lanes, is coordinating with the Bay Area's other express lane operators on a proposed penalty reduction for express lanes. Since the proposed caps for express lanes and toll roads under consideration for AB 2594 (a \$100 cumulative cap) are below the Bay Area's current express lane penalties, this portion of the bill appears unlikely to impact the region.

Similarly, BATA has been discussing a payment plan option that could be more expansive than the "minimum" standards anticipated in AB 2594. Staff is closely monitoring the bill language to ensure that it reserves BATA the option to go beyond minimum standards identified in the bill. Staff is seeking an amendment to provide a minimum of 18 months before key provisions affecting our tolling operations take effect to allow adequate time to amend contracts and update customer-facing systems. Given Assemblymember Ting's office's good faith negotiations to date and the alignment of the bill with our Toll Equity Action Plan, staff recommends a "support if amended" position on AB 2594, as described.

Attachments:

- None



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