

BAY AREA TOLL AUTHORITY Bay Area Metro Center 375 Beale Street San Francisco, CA 94105 TEL 415.778.6700 WEB www.intc.ca.gov

Memorandum

TO: Bay Area Toll Authority

FR: Deputy Executive Director, Operations

RE: Bridge Toll Violation Payment Trends

DATE: September 6, 2017 W. I. 1252

This memorandum provides information on violations generated on the seven state-owned toll bridges and how they are processed and resolved by the Bay Area Toll Authority (BATA).

When a vehicle passes through a toll point without paying, a process is initiated to secure payment of the toll along with any associated penalties. Customers whose toll tags are not read by overhead antennae are initially considered violators; however, the system matches the vehicle's license plate with the license plate information in the customer's FasTrak[®] account and the toll is then withdrawn from the customer's account. Vehicle license plates from violations not linked to a customer's FasTrak[®] account are sent to the Department of Motor Vehicles (DMV) to obtain the contact information of the registered owner. A violation notice is then sent to the responsible party, upon which the party has several opportunities to pay the toll, plus a penalty.

BATA invests approximately \$3 million annually to maintain the lane equipment that collects vehicle information for tolling. Cameras are routinely inspected and cleaned to obtain clear license plate information, in-pavement treadles are preventatively replaced to enable the correct counting of vehicle axles, and overhead antennae are regularly tuned so they can read toll tags.

Paid Violations

Toll evaders have multiple opportunities to pay, including: the initial notice (toll plus \$25 penalty), a second notice (toll plus \$25 penalty plus \$45 late fee), at the DMV if their vehicle's registration was put on hold (toll plus penalty and late fee plus \$3 DMV fee), or after being sent to a collection agency. Upon receiving a notice of toll evasion, toll evaders can have their penalties forgiven if they become FasTrak[®] customers.

The amount of violation revenue collected over the past eleven years is shown on the chart below. Two significant increases leading to higher revenue collection occurred during this span. The first was in Fiscal Year 2007-08 when the DMV registration hold process began, and the second occurred in Fiscal Year 2013-14 when total traffic jumped sharply from the previous year. Traffic continued to increase at a similar rate for the next two years (approximately five million more vehicles annually), leading to a corresponding rise in violations.



Uncollectable Violations

Uncollectable violations result in toll revenue not being collected. Although uncollectable violation numbers appear high in absolute terms (see chart below), they account for less than 3% of total transactions, which is considered the industry benchmark when measuring toll system performance. For Fiscal Year 2016-2017 the 4.5 million uncollectable violations is equivalent to approximately \$24 million in lost toll revenue (penalties not included).

The largest percentage of uncollectable violations are from image rejections due to dealer plates. Over the past ten years, BATA has seen a 200% increase in dealer plate image rejections. Dealer plate rejections now represent 48% of all uncollectable violations, totaling \$10 million in lost revenue. With the passage of AB516 (Mullin) ensuring new car owners leave dealerships with temporary license plates, staff expects this source of lost revenue to convert to collected toll revenue starting after the January 2019 implementation.

Categories	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17
Dealer Plates or No Plates	912	1,150	1,423	1,733	2,198	2,763
Other Image Rejections	282	355	267	252	311	395
No DMV information	341	367	358	195	137	130
Pending / Written Off	519	524	569	768	1,014	1,253
Total Uncollectable	2,054	2,396	2,617	2,948	3,660	4,541

Note: All figures in thousands

Pending violations are likely in the DMV hold process or at collections. More recent violations could become collected violation revenue, while older violations may ultimately be written off as lost revenue.

In summary, annual violation revenue balances out the toll revenue lost due to uncollectable violations.

Andrew B. Fremier

AF:jg Attachments