



I-95 Corridor Coalition

Toll Enforcement Reciprocity Webcast

December 10, 2012

Note to Webcast Participants:

The webcast will begin at 2:00 PM. Please do not put your telephone on “Hold” (especially if it’s a music hold!); muting the phone is appreciated.

Telephone connection:

1-866-299-7945 and enter 6269325# at the prompt.



Agenda

- **Developing Enabling Legislation and Reciprocity Agreements**
 - David Joyner, North Carolina Turnpike Authority
- **Implementing Multistate Toll Enforcement Reciprocity**
 - Chris Waszczuk, New Hampshire
 - Richard Somerville, Maine
 - Stephen Collins, Massachusetts

Interstate Toll Enforcement

I-95 Coalition Webinar

December 10, 2012

David Joyner

Executive Director, NC Turnpike Authority

Background

- Ad-hoc Committee formed in 2010 to study enforcement reciprocity
- Objective: Draft model legislation to allow uniform enforcement between agencies
- Outgrowth of ATI membership meeting
 - Over 40 toll agency representatives signed up to be on committee

Background

- Financial support from I-95 Coalition
- Professional bill drafter retained as facilitator
- Legal support provided by NC AG's staff and NC Institute of Government
- Committee met four times between 2010 - 2011

Major Questions Identified

- If agencies/states formed a “compact,” would they be in violation of Article I, Section 10, Clause 3 (Compacts Clause) of US Constitution (requiring congressional approval)?
- Is state legislation necessary? Will MOU suffice?
- Can one bill be made to work everywhere?
- Is registration hold best enforcement tool?
- How should due process be handled?

Major Questions Identified

- Should violation be considered civil, criminal, or neutral offense?
- Should there be a minimum number of violations before enforcement kicks in?
- What impact will process have on trucking and fleet organizations

Conclusions

- Vastly different business rules makes one-bill-fits-all legislation impractical, unworkable
- Two steps required:
 1. Legislation enabling reciprocal agreements with simple, straightforward supporting provisions
 2. Agency-by-agency agreements defining actual enforcement terms and conditions

Key Legislative Elements

- **Proof of violation**
- **Liability**
 - Registered owner is liable for toll
- **Tolls defined as debt**
 - Debt can be pursued through normal debt collection means
- **Identification**
 - Establishes how vehicle owner shall be identified

Key Legislative Elements

- **Due Process** – Adequate due process and appeal protections must be protected
- **Right to Contest** – Residents of home state must be given opportunity to present evidence to away state by mail or other remote means

Key Legislative Elements

- **Reciprocity** – Allows agencies to enter into agreements to enforce actions in other states
 - Requires the state to cooperate upon request of other state if agreement is in place
 - Requires other states' due process procedures to be comparably protective
 - Requires agencies to cooperate in collection methods, collection fees for agencies, 3rd parties and DMVs

Recommended Legislative Elements

- **Cost to Collect** – Allows for collection of administrative fee by agencies and DMVs for registration hold
- **Obstruction of Toll** – Allows for penalties for covering a license plate, jamming signal, etc.
- **Definitions** – Owner, Toll, Toll Facility, Reciprocal State, Home State, Away State, Electronic Toll Collection System, Violator, etc.

Key Agreement Provisions

- Registered owner responsible for toll
- Registration holds are preferred hammer, but not a requirement
 - Agreements will determine mutual hammer
- States should have similar enforcement business rules to reach an agreement, i.e. “we treat your citizens same as you treat ours”

Key Agreement Provisions

- Adjudication and due process are best handled by the away state
- Burden of proof on violator
- Minimum threshold amounts left to the agencies, business rules
- Upon request home state will provide away state information needed to identify registered owner

Key Agreement Provisions

- Notice from away state should specify all penalties and fines that may be imposed for failure to pay in addition to tolls due
- Registration hold should not be made until home state has sent such notice to the owner and XXX days have passed without resolution

Questions?

Interstate Violation Reciprocity (NH, MA, ME) Webcast

Presented by:

**Christopher Waszczuk, P.E.
Administrator, NHDOT - Turnpikes**

**Steve Collins
Director of Statewide Tolling – MassDOT**

**Richard Somerville
E-ZPass Manager - Maine Turnpike Authority**

December 10, 2012

Interstate Violation Reciprocity (NH, MA, ME)

- Basic Structure of Violation Enforcement – NH, MA, ME
- Current Agreement & Entities Involved
- Need for Regional Interstate Violation Reciprocity
- Development of Pilot Program & Main Elements
- Benefits of the Program
- Future of the Program
- Lessons Learned
- NH, MA, & ME Perspectives
- Question / Answers

Violation Enforcement in NH

- NH Statutes initially allowed for License Suspension for failure to pay toll
 - License Suspension has not been utilized since 2008 (law changed)
 - Several arrests & bad publicity resulted in halting program
- Registration Renewal Denial Process Instituted
 - Implemented in January 2009
 - 20 or more Violations per plate trigger approval for DMV Hold
- Invoice Process Instituted in July 2010
 - First invoice – toll plus \$1.00 fee per transaction (due 30 days)
 - Second invoice - toll plus \$1.50 fee per transaction (due 30 days)
 - Violation notice – toll plus \$25 fee per transaction
- Administrative fees are capped at \$500 per plate for passenger accounts
 - Discretion to reduce to \$250 prior to DMV Hold
 - Egregious violators, businesses with multiple plates, and multiple DMV Hold offenders are handled on a case by case basis

Violation Enforcement in MA

- Mass Statues allow for Registrations & Licenses to be “marked” for registration renewal denial and license renewal denial
- Violation Enforcement
 - First notice - Notice of Violation – payment of toll plus \$50 fine (payable within 60 days)
 - Second notice – payment of toll plus fee reminder
 - Third notice - Notice of Liability- payment of toll plus \$90 penalty (marked driver’s license & vehicle registration)

Violation Enforcement in ME

- ME Statutes allow for Registration Suspension for failure to pay toll
 - Process is highly successful when part of a larger process
- Violation Enforcement fully in place since 2006
 - First notice (NOV) Notice of Violation – tolls only, minimum of 3 tolls in 6 month window (due 14 days)
 - Second notice (NOL) Notice of Liability- toll plus \$20.00 Admin Fee plus \$50.00 Civil Penalty per NOL (due 30 days)
- Notice of Suspension issued if NOL not paid or responded to in 30 days
 - Maine Bureau of Motor Vehicles (BMV) sends Intent to Suspend Letter, 14 days to resolved before suspension effective. If suspension becomes effective, \$50.00 reinstatement fee to BMV required.
 - State Police provided a list of suspended vehicles still traveling for further enforcement

Interstate Violation Reciprocity

- Current agreements in place:
 - Massachusetts
 - Maine
 - New Hampshire
- Interagency discussions began in 2010
- Pilot program began August 3, 2011
- Pilot program extended 2-year period in August 2012.

Different Entities Involved

- Massachusetts Dept. of Transportation
- Massachusetts Registry of Motor Vehicles
- Maine Turnpike Authority
- Maine Bureau of Motor Vehicles
- New Hampshire Dept. of Transportation
- New Hampshire Dept. of Motor Vehicles

Why Interstate Violation Reciprocity?

- Strengthen ability to collect on out-of-state ETC transactions
 - 42% NH revenue is out-of-state
 - 32% MA revenue is out-of-state
 - 33% ME revenue is out-of-state
- Link out-of-state unpaid transactions / violations to registered vehicle owner
- Legal tool to compel out-of-state vehicle owner to pay toll
- Fairness & Equity for all travelers, in-state & out-of-state
- Reciprocity agreements needed for interstate jurisdiction
- Important for violation enforcement particularly in ORT and potential AET environments

How the Parties Came Together

- The New England tolling agencies (RITBA, MassDOT, MTA, and NHDOT) meet quarterly and began to talk in earnest about the need for reciprocity in March 2010.
- The New England governors signed a Resolution to Support Reciprocity of Electronic Toll Collection at the July 12, 2010 New England Governors Conference.
- Initially, agency executives met to discuss high-level parameters, subsequently agency staff began series of meetings to discuss logistics and program details.
- DMVs / RMVs were included in the discussion and program development from inception.

Main Elements of the Agreements

- Agreement is between the states' tolling and motor vehicle departments
- Enabling legislation
- Details related to exchange of violator address information
- Agreement to preserve confidentiality and not to use address information for any other purpose
- Number of violations needed prior to requesting away state to deny registration renewal
- Violation fees and penalties
- General adjudication procedures
- Term of pilot and extension periods

Key Elements of Discussion

- Protection of Confidentiality of data
 - Sharing data with third parties and use of collection agencies
- Commonality of Penalties (business rules & fees vary greatly from state to state)
 - Need to respect individual agency's business rules
 - Placement of cap on administrative fees and/or penalties
- Due Notice & Number of Violations
 - Pursuit of egregious violators – 20 or more violations
- Due process, adequate noticing, Hearings
 - Same process afforded to out-of-state violators as in-state
 - Due process to contest violation without appearing in person
 - Opportunity for record review by Hearings Officer
- Communication amongst States.
 - Timely release after payment is critical
- Technology, file transfer, formatting, plate types
 - Presently, process is manual with key contacts identified in each state and DMV/RMV
 - Need to move to automation with high degree of accuracy (focus needed on plate types and special characters)
- Paying for address look-up

Interstate Violation Reciprocity Benefits

- Interstate violation reciprocity provides the enforcement mechanism needed to close the gap between in-state and out-of-state violators.
- Removes the legitimate complaint of away customers getting a free ride if they decide not to pay.
- Specifically is effective at targeting large, commercial accounts that violate regularly and accumulate large toll and fee balances.
- Changing the perception - word is spreading that out-of-state violations will be collected.

Setting the Stage for the Future

- With the advent of ORT and AET, violation reciprocity becomes essential to properly go after out-of-state toll evaders.
- Reciprocity agreements involve address lookup resources that are essential with ORT and AET involving out-of-state customers.
- “Leakage” would be unacceptable without the ability to both get out-of-state addresses and the ability to enforce toll collection across state lines.

How Do We Expand from Here?

- Need to automate processes at the back office and at the DMVs/RMVs (manual process is manageable at the current level)
- Make agreements accessible in language and structure so bordering states can readily join with minimal changes.
- Continue to look for efficient means to secure away state addresses (AAMVA, hubs, etc.).
- Invite bordering states to the table early and build agreements with these in mind to allow for easier joining. (Rhode Island has express interest, amongst others)

Transferable Lessons Learned

Four key areas are essential:

1. Need to have enforcement mechanism in place (i.e. registration renewal denial, registration suspension, etc.) and enabling legislation
2. Compromise necessary from onset
 - Business Rules vary
 - Future Refinement as necessary
3. Incalculable value of agreement is perception amongst commercial truckers, general public
4. Need good relationships with DMVs/RMVs

New Hampshire's Perspective

- Pilot Program – successful
 - Critical to collect out-of-state revenue
 - Critical as NH considers to advance to AET
- Looking to lower violation threshold (20 to 10)
- Collecting tolls & fees that would not have been possible (since program inception \$115k collected)
- Registration renewal periods vary (NH -1, MA -2)
 - Takes time for process to run its course & ultimately collect
- Word is getting out

Massachusetts' Perspective

- Toll agencies and DMVs need to truly work together and be willing to compromise
 - Within the State and within the Agreement
- Expectations for compromise should be reasonable
- Biggest benefit is ability to cite on out-of-state invoices and violations that you have authority to enforce payment

Maine's Perspective

- The bigger the penalty, the larger the success
- Cooperation and compromise needed amongst Toll agencies and DMVs
- Expectations for compromise should be reasonable
- Huge benefit is ability to cite authority to enforce payment

QUESTIONS???

Leased/Rental Vehicles

Problem

- Low Collection Rate
- Third Party Vendors
- ETC Customers who use rental cars
- Transfer of Responsibility
- Unnecessary Mailing Costs
- Enforcement Impact

Solution

- Develop a regional approach that provides:
 - Electronic downloads of violations and ETC account info
 - Electronic uploads of Transfer of Responsibility
 - Electronic uploads of Rental Car plates
- Increase Revenue Recovery
- Decrease Cost