We’re in this Together: A Growing Partnership between DMV and Tolling Authorities

July 29, 2014

George Schoener, Executive Director
I-95 Corridor Coalition
I-95 Corridor Coalition
Who We Are

• Multi-Jurisdictional
  – 16 States, the District of Columbia
  – 2 Canadian Provinces (Quebec, New Brunswick)

• Multi-Modal
  – All Modes – Rail, Marine, Air, Highway – with a focus on long distance passenger travel and freight movement

• Multi-Disciplinary
  – A Partnership among Public Agencies, Toll Authorities, DMV’s, Port Authorities, Railroads, Trucking
• 2040 Vision for the I-95 Corridor Coalition Region: Strategic Investment in all Modes of Transportation

• Requires a transition to a new financing system largely based on a user fee framework
  – all electronic tolling/managed lanes to an ultimate mileage-based user fee

• User fee system provides investment funding, as well as ability to manage transportation demand
Toll Collection Options

Cash
- At standard toll plazas, customers can pay with cash.

Electronic
- When passing through a toll plaza or tolling point, the transaction is identified by a transponder in the vehicle or by license plate if the transponder is not detected.
- Toll is deducted from the customer’s pre-paid account.

Video
- Front and rear license plate images are captured and are used to identify the vehicle owner.
- A Notice of Toll Due is mailed to vehicle owner.
Trends in Tolling
A little courtesy won’t kill you....
Open Road vs. All Electronic Tolling

Open Road Tolling (ORT) has a cash lane option:
All Electronic Tolling (AET) = “Cashless” Tolling (no in-lane cash option)

- No Toll Booths
- No Stopping
- Tolls collected at Highway Speeds
- All electronic: via overhead readers and cameras and sometimes sensors embedded in roadway
The Future is
All Electronic Tolling (AET)
All Electronic Tolling Benefits

Improved Traffic Flow and Efficiency
- No stopping to pay tolls
- Reduces backups
- Faster and more reliable travel times
- Improved customer convenience

Improved Safety
- No slowing down / weaving across toll lanes

Improved Environmental Quality
- Reduces vehicle emissions
- Eliminates vehicle idling at toll plazas
- Reduced runoff from impervious surfaces

Toll Equipment Mounted Over Roadway
- No toll booths (reduces toll collection footprint)
- No staff required on site
Typical AET “Toll Zone”
MassDOT AET Program

Two methods of payment:

- EZPass
- Pay by plate MA
MassDOT AET Program

ETC =  

Vehicles drive through a Toll Zone:  

The transponder identifies the vehicle:

Various technologies are used to classify vehicles:
License Plate Tolling = PAY BY PLATE MA

What if there is no transponder?

The camera takes a picture of the license plate. The system reads the license plate at the roadside.
AET and System Operation

Tobin Bridge – Ramp TC
DON'T HAVE E-ZPass?

WE WILL BILL YOU WITH PAY BY PLATE MA
All Electronic Tolling Enforcement Challenges

- Ever-increasing variety of license plates
- Altered or obstructed license plate
- Costs of license plate look-ups
- Multiple agreements, procedures, and data formats required for look-ups
- Up-to-date name and address data at DMVs
- Organizational relationships between toll operators and DMVs
- Resource constraints at DMVs
- Insufficient consequences for non-payment of tolls
- No reciprocity across state lines for toll infractions, like there is for traffic infractions
- Need for sufficient adjudication processes
Enforcement

Three State Program

- Maine
- New Hampshire
- Massachusetts
Collecting tolls and violation fees from non-residents

- Massachusetts and New Hampshire make up 50% of the non-Maine violation images
  - Massachusetts – 32%
  - New Hampshire – 18%
  - Similar numbers for MA and NH
Three State Program: Who is Involved

- Maine Turnpike Authority
- Maine Bureau of Motor Vehicles
- Massachusetts Department of Transportation
- Massachusetts Registry of Motor Vehicles
- New Hampshire Department of Transportation
- New Hampshire Division of Motor Vehicles
Three State Program: Key Events

- March 2010:
  - Discussions begin in earnest to develop reciprocity among ME, MA, and NH

- July 2010:
  - New England Governors Conference signs a Resolution to Support Reciprocity of Electronic Toll Collection

- June 2011:
  - Maine Governor signs legislation to allow Maine Turnpike to create Reciprocal Agreements

- August 2014:
  - Pilot term expires, program becomes permanent for an indefinite term (subject to typical termination clauses)
Three State Program: Key Elements to Process

• Allows the penalties per the laws of the state of the offending vehicle to be applied for a violation that occurs in a different but reciprocal state.

• Each reciprocal state utilizes their full due process as they would for their own resident before seeking a Hold or Suspension.
Three State Program: Different States—Different Penalties

• Violation statutes differ in each state
  – Maine suspends the registration of the offending vehicle.
  – New Hampshire places a Hold on the registered owners ability to renew their registration.
  – Massachusetts places a Hold on the registered owners ability to renew their registration or drivers license.
Three State Program: Success Parameters

• A 70% overall collection rate among the states.

• Over $100,000 directly collected in tolls, fees and penalties.

• Countless savings through creating new customers and educating existing ones, and changing bad behavior.
FOUR KEY AREAS FOUND:

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
Three State Program: Future Expansion

• Need to automate process at back offices.

• Need for the agreements to be accessible in language and structure so bordering states can join with minimal changes including non-toll states.

• Develop a more efficient means of accessing license plate data from all states and provinces.
Why DMVs Are a Critical Partner

- Under All Electronic Tolling, there are no cash options (transponder or video tolling/plate-based)
- Accurate information on plates (owner, address) is essential for payments and enforcement
What’s in it for DMV’s?

- More highway revenue collected in a state
- Potential sharing of added revenues from enforcement that could be applied to upgraded systems
What’s Needed Going Forward

• Look at existing state-specific systems to determine efficiencies which could improve access to vehicle registration information at minimum cost to both DMVs and toll operators.

• Consider practices that could make collection and enforcement less complicated or less costly, and decrease the risk of a violation notice or toll invoice being sent to the wrong customer, such as:
What’s Needed Going Forward (Cont’d)

– The issuance of non-duplicate numbers for different plate types or classes of vehicles

– Consolidation of license plate look-ups for multiple toll transactions or violations for the same vehicle

– The use of materials in the manufacture of license plates such as coatings and certain colors or fonts that make it less difficult to obtain clear images

– Potential use of both back and front license plates

– Regular database updates for such things as address changes
What’s Next?

• More States Developing Reciprocity Agreements
  – Expand three state New England pilot
  – Additional multi-state pilots

• Central System to Connect the 51 Registration Databases

• Multi-state Mileage Based User Fee System Pilot
  – Build on I-95 Corridor Coalition research outlining a multi-state system’s administrative requirements and illustrating the critical partnerships with DMV’s
Thank You!

George Schoener

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DMV’s Partnering with Tolling Agencies

Scott Vien, Deputy Director
Delaware DMV
July 29, 2014
“Is Delaware ever going to stop talking about this tolling partnership crap?”
- Random AAMVA AIC 2013 Attendee

“Nope”
- Jennifer Cohan, AAMVA AIC 2013
Look Who’s Talking...

- Congress/Whitehouse
- International Bridge, Tunnel and Turnpike Association (IBTTA)
- Alliance for Toll Interoperability (ATI)
- E-Z Pass Group (IAG)
- I-95 Coalition
- AAMVA
- Industry
  - Emerging Technology
Why should you care about partnering with tolling agencies?

- Toll Interoperability is federally mandated
  - MAP 21
- No Toll Roads? So what...
  - Your states citizens are violating
  - Workload - Open Road Tolling or All Electronic Tolling
- Revenues
  - Everybody likes money...get yours!
- Data
  - Verification of information
INTEROPERABILITY in the U.S.
DMV Perspective

• Interoperability and Reciprocity for Tolls
  – Long standing issue in Tolling Industry
  – Fairly New topic to DMV’s

• Mutually beneficial partnerships need to be fostered
  – Customer data
  – Fees, penalties and scofflaw accountability
  – License plate standardization
• What about license plates?
  – DMV’s have extensive designs, colors, fonts...
  – Likelihood of tolling agencies driving change is slim
  – Focus on adopting best plate design practices
  – ALPR
• Reciprocity agreements
  – New England states
  – Mid-Atlantic states working towards agreement

• Agreements can allow for:
  – Sharing of violator data
  – State to state data exchange for non-violations to facilitate Open Road Tolling (ORT)
    • Some states will require legislation (DE, SB 24)
FY 2013 summary of all violations that occurred on Delaware toll roads. Approximately $1.5 million annually
• $1.5 million in toll revenue alone goes uncollected annually (no fees /penalties)

• 2005-2013 violations/fees/penalties uncollected for Delaware = $86.3 million
Examples of High Level Offenders:

- Company A: $54,774.75, Maryland
- Customer A: $36,019.00, Delaware
- Customer B: $25,495.50, Pennsylvania
- Customer C: $24,747.00, Virginia
- Customer D: $19,488.00, New Jersey
- Customer E: $17,690.50, New York
DE DMV Perspective

- Symbiotic relationship between Tolls & DMV
  - Customer Service Focus
- First in North America combined DMV Call Center and EZ Pass Customer Service Center
  - Increased foot traffic
  - Increased EZ-Pass utilization
- Leverage DMV’s existing reciprocity agreements
  - Vehicle registration holds for violators
Other Opportunities

• Toll employees have...
  – cross-trained in DMV operations,
  – graduated from DMV’s MIT program,
  – Successfully been promoted into DMV positions

• These efforts have led to an increase in DMV resources during tough economic times.
Limited DMV services are offered at all three toll plazas.

- Driving record sales
- Next of Kin enrollment/update
- Vehicle registration address change
- Duplicate vehicle registration card
- Handicap placard issuance/renewal
- EZ Pass On-the-Go sales.
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407ETR Tolling Partnership

July 29, 2014

Peter Verok, P. Eng.
Ministry of Transportation
Background

- Highway 407 is an east/west toll highway just north of Toronto
- Need identified in the 1950s, route defined in 1980s by MTO
- April 1994, OTCC* awarded Design-Build contract to CHIC Central Section, Hwy 403 (Oakville) – Markham Rd. (69km - $930M)
- 1999, Highway 407 leased to 407 ETR Concession Co. for $3.1 billion for a 99 year term. (All costs of maintaining and operating the highway, including the cost of snow removal, repairs, roadside customer assistance, tolling systems, policing and MTO enforcement are all paid by the company under the lease agreement.)
- 2001, Highway was expanded - 25 km (west) and 14 km (east) at a cost of $500 million

*OTCC – Ontario Transportation Capital Corporation – No Longer in Existence
Quick Facts - 407 ETR

- 108 km – 198 toll gantries
- No Toll Booths – Open access to all vehicles; No restrictions
- All electronic tolling (Transponder and Video)
- 407 ETR sets the toll rates, but must provide 4 weeks notice to the Province for toll increases

2013 stats
- 2.36 billion vehicle km travelled
- 381,000 average weekly (Mon-Fri) trips
- $801.2 million in revenue
Quick Facts – 407 East

- Extends 407 easterly to Oshawa and Bowmanville
- Province to retain ownership
  - Phase 1 – by end of 2015
  - Phase 2a – by 2017
  - Phase 2b – by 2020 (complete)
- Will privatize the back office and tolling system
- No Toll Booths – Open access to all vehicles; No restrictions
- All electronic tolling (Transponder and Video)
Responsibilities

Province

- Commercial vehicle inspection and enforcement
- License plate information transfer
- Plate denial (Registrar)
- Ontario Provincial Police (OPP) policing and enforcement
- Central Region’s Strategic Highways Management Office (SHMO) acts as “one-window” for relationship management between 407 ETR and the Province.

407 ETR

- Tolling
- Planning
- Design
- Expansion
- Operation
407 ETR and the Province maintain an excellent working relationship through formal committees and working groups.

- **Grantor Meetings**: Executives from 407 ETR (VPs & CFO) and MTO (ADM, RUS Director, Central Region Director, SHMO Manager) meet every six months to stay on top of key issues.

- **Safety Audits**: Random audits are conducted by MTO and the findings are discussed with 407ETR.

- **Commissioning**: A process that culminates with the Minister of Transportation giving permission to open all new infrastructure, such as extensions and widenings prior to it being made available for public use.

- **Customer Service**: meet every six months to discuss specific customer service issues which have been brought to the ministry’s attention.

- **Several Other Committees and Working Groups**: Staff meet on a regular basis to resolve issues and improve on processes such as: I & IT, Highway Safety, Traffic & Planning, etc.
• Monthly trip invoices are sent to the client
• Invoices include entry, exit, time and date of the trip
• Clients have 35 days to pay
• Payments can be made by:
  – Automatic Payment with 407 ETR Web Account
  – Online Credit Card Payment
  – Telephone
• Charges include:
  – Tolls
  – Administrative fees,
  – Interest (if applicable)
  – Video tolls (if applicable)
  – Monthly transponder lease (if applicable)
407 ETR provides a three-tier dispute resolution process to address customer concerns:

Customer Service Representative
- Phone
- In person
- Mail
- Email

Office of the President
- Phone
- Email

Ombudsman's Office
- Written request

2013 Statistics
- 17.8 million paper and electronic invoices sent out
- 640,599 calls to Customer Service
Plate Denial

• Provincial program whereby a plate owner is prevented from renewing their licence plate validation sticker until all outstanding fines, costs and fees associated with it are paid in full

• Legislated in the *Highway 407 Act, 1998* under subsection 22(4)
  – Plate denial was endorsed in an Ontario Divisional Court ruling in 2005.

• 407 ETR is an open access highway and plate denial is a means of ensuring that tolls are paid

• Before an individual is placed in plate denial, 407 ETR is required to issue notices advising clients of the pending plate denial if the fees are not paid – Notice of Failure to Pay (section 16), Notice of Plate Denial (section 22)
There are approximately 1.26M plates currently in denial in Ontario

- Approximately 323,000 in denial for 407 ETR tolls
- Approximately 912,000 in denial for municipalities
- Approximately 25,000 in denial for NSF cheques

Average amount owing per plate is $800

- Average amount owing to 407 ETR is $630
- Average amount owing to municipalities is $210
- Average amount owing for NSF cheques is $1,585
Plate Denial

Authority to Implement
• Highway 407 Act, 1998

Customer Service Issues
• Bankruptcy
• Privacy
• Plate Denial Collection
• Debt Transfer
• Plate Transfer

Access to MTO Database
• Authorized Requestor Information System
• Out of Province Plates

Checks & Balances
• Audits & Oversight
• Legislated Dispute Resolution Process
Challenges

Out of Province Plates
- All Ontario plates are unique
- MTO has cross jurisdictional information sharing agreements but are not allowed to share with any private companies
- There are no plate denial agreements with other provinces

Privacy
- Freedom of Information and Protection of Privacy Act (FIPPA)
- The Personal Information Protection and Electronic Documents Act (PIPEDA) - Governs private sector

Bankruptcy
- Appears to be a conflict between provincial and federal legislation
- Currently before the Supreme Court of Canada

Toll Evasion
- Fraudulent plates
- Legislative loopholes
Toll Evasion
Toll Evasion
Toll Evasion
Toll Evasion
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Toll Evasion
Thank you

Questions?