

CONCURRENCE IN SENATE AMENDMENTS

AB 2594 (Ting)

As Amended August 1, 2022

Majority vote

SUMMARY

Makes numerous changes to the administration of tolls for bridges, toll roads, and express lanes.

Senate Amendments

- 1) Generally require implementation of the provisions of the bill to become operative on July 1, 2024, except as specified.

Specifically for tolling for bridges, toll roads, and express lanes these amendments:

- 2) For toll bridges, require an issuing agency that permits pay-by-plate toll payment, as defined, that permits payment by a transponder, or other electronic toll payment device to send an invoice by mail for any unpaid toll to the registered vehicle owner. Requires the invoice to include a notice to the registered owner that, unless the registered owner pays the toll by the due date shown on the invoice, a toll evasion penalty will be assessed. Requires the invoice due date to be no less than 30 days from the invoice date.
- 3) For toll bridges, stipulate that if a toll invoice is not paid by the due date shown on the invoice, the nonpayment shall be deemed an evasion of tolls and the issuing agency, or processing agency, shall mail a notice of toll evasion violation to the registered owner, as specified.
- 4) For toll bridges, limit toll penalties to \$25 for the notice of violation (1st), \$50 for the notice of delinquency of evasion (2nd) for a cumulative total of \$50 for each individual toll evasion violation. Allows the penalties to include any administrative fee, fine, or assessment imposed by the state in addition to the cumulative \$50 limit per each individual toll evasion violation.
- 5) For toll roads and express lanes, limit toll penalties to \$60 for the notice of violation (1st), with a maximum cumulative toll evasion penalty not to exceed \$100 for each individual toll evasion violation.
- 6) Authorize toll penalties amounts to be adjusted by the California Consumer Price Index.
- 7) Require an issuing agency to waive the toll evasion penalty for a first violation if the person contacts the customer service center within 21 days from the mailing of the notice, the person is not currently an accountholder with the issuing agency, signs up for an account, and pays the outstanding toll.

Specifically for contesting toll violations these amendments:

- 8) Make changes to existing provisions for contesting tolls violations, including allowing 30 days, instead of 15 days, from the mailing of the notice for a person to contest the toll violation; require the processing agency or issuing agency to review evidence of the alleged violation, including photographs; allow the agency to email, in addition to mail, the results;

require a person that qualifies under the payment plan only pay the toll amount, not the penalty, while awaiting an administrative review.

Specifically for the one-time penalty waiver program for toll bridges these amendments:

- 9) Establish a start date of July 1, for a one-time waiver program for toll evasion violations on a toll bridge occurring from March 20, 2020, to January 1, 2023. These provisions would be inoperative on September 30, 2024, and repealed as of January 1, 2025. Tolls must be paid, in addition to any related fees, fines, or assessments imposed by the DMV.
- 10) Beginning January 1, 2023 require an issuing agency to notify the public of the availability of the program on its website and direct its customer service representatives to inform the public of the program when responding to inquires about evasions that occurred from March 20, 2020 to January 1, 2023.

Specifically for payment plans these amendments:

- 11) Require issuing agencies to make a payment plan option available to a person whose monthly income is 200% of the current poverty guidelines, or less, as specified.
- 12) Stipulate that the agency is not required to offer more than one payment plan to a person at any given time, nor to offer a person more than two payment plans in a six-year period.
- 13) Require the issuing agency, for purposes of verifying a person's eligibility, to accept all of the following: an unexpired proof of enrollment of participation in the CalFresh program, Medi-Cal, or another low-income program with the same or more exacting low-income requirement; or an unexpired county benefit eligibility letter. Allows other evidence of the persons' income to be accepted, as determined by the issuing agency.
- 14) Require the payment plan option apply to toll evasion penalties in excess of \$100; the payment of no more than \$25 per month for total outstanding toll evasion penalties of \$600 or less; include no prepayment penalty for paying off the balance prior to the payment period expiring; and include a process for removal of any DMV registration hold. Stipulates that the agency is not required to offer a payment plan if the person has more than \$2,500 in outstanding toll evasion penalties. Allows the agency to go above the payment plans required minimums.
- 15) Require information regarding the issuing agency's payment plan to be posted on an internet website.
- 16) Establish an operative date for payment plans of July 1, 2023 for toll bridges, and July 1, 2024 for toll roads.

Specifically for toll collection operations and customer service these amendments:

- 17) Require at least one retail outlet, kiosk, or customer service be located within the jurisdiction of the issuing agency.
- 18) Require that if an issuing agency offers a transponder or other electronic toll payment device, a person be allowed to acquire a transponder or other electronic toll payment device with cash, credit, or debit card, and be allowed to load a minimum of \$100 onto the associated

account with cash, credit, or debit card. Stipulates, there shall be no additional transaction fee charged to acquire the transponder or other electronic toll payment device except, as specified. Prohibits issuing agency from assessing any additional transaction fee to the amount a person is charged by a cash payment network company to load funds to an account using cash through a cash payment network.

- 19) Require at least one issuing or processing agency's office or customer service center within the issuing agency's jurisdiction, and two or more physical locations within each county in which a toll facility operates for purposes of conducting the transactions, as specified.
- 20) Require issuing agencies' offices or their customer service centers to have people available to provide assistance after hours, or on Saturdays.

Specifically for the Department of Motor Vehicles (DMV) these amendments:

- 21) Require DMV, commencing January 1, 2027, to include a statement as part of an application for an original or renewal driver's license informing the person that they may also need to change their address for purposes of their vehicle registration. Also requires DMV to give the same information orally if the driver's license application or renewal is done in person.
- 22) If a registered owner pays the toll, toll evasion penalty, and all related fees, or has entered into a payment plan (as described above) the issuing or processing agency shall notify the DMV electronically and the DMV shall not refuse renewal of the person's vehicle registration. If the registered owner is delinquent under the payment plan for more than 10 business days, and the issuing or processing agency notifies the DMV electronically, the DMV shall refuse to renew the vehicle registration until the registered owner has met the terms of the payment plan and the DMV has been electronically notified.

Specifically for rental car companies these amendments:

- 23) Require public entities operating or planning to implement a toll facility in this state to cooperate to publish an internet website at which the public and rental car agencies can view and download, or that provides direct links to, information about how to open an account or acquire a transponder or other electronic toll payment device, for use of each issuing agency's toll facility.
- 24) Require the rental car agency to provide the customer with a written or electronic notice, including the electronic link for the internet website. Requires the notice to be separate from the rental contract and, if an electronic notice, emailed to the rental customer.

COMMENTS

The Senate amendments are comprehensive and consistent with the bill that was heard in the Assembly.

Individuals may encounter tolls on bridges, toll roads, and express lanes while driving in California. Revenue from these tolls is used to pay for maintenance and other costs, such as debt service, improvements to the corridor, and seismic retrofitting of bridges. Currently, there are 13 agencies in the state that administer bridge tolls, toll roads, and /or tolled express lanes. Despite the prevalence of tolls in the state and their expansion, laws related to collecting tolls and ensuring there is due process have remained stagnant. This bill makes a variety of changes to

improve tolling and collection processes and to minimize the impacts of toll and related fines and fees on low-income people.

According to the Author

According to the author, "As toll agencies have shifted from in person toll payment to a mailed invoice, the process must change to accommodate this reform. Several circumstances can hinder a person's ability to pay the fines associated with an unpaid toll. One outstanding issue with the switch to electronic payment is its direct impact on people who do not have a debit or credit card to pay their invoice online. The Metropolitan Transportation Commission's (MTC) data shows that between January and August of 2021, 5.1 million second notice violations were sent out and only 12 percent were actually paid. Under current law, agencies have the authority to charge hundreds of dollars in fines. Such penalties create significant financial burden and consequences such as a DMV hold on an individual's vehicle registration. Those most impacted are lower income individuals, people of color, and non-English speaking Californians. AB 2594 provides a comprehensive solution to address toll penalties by creating a process to instill equity in the payment process, and addressing the needs of unhoused and unbanked drivers.

Arguments in Support

Writing in support if amended, the Western Center on Law and Poverty states "AB 2594 is a long overdue reform to our state's toll systems. It will standardize toll collections across the state so that drivers are no longer subject to the whims of local agencies. It will reduce the accumulation of debt by low income drivers and reduce the number of vehicles subject to DMV registration holds. AB 2594 will reduce the use of DMV resources on minor toll violations and it will reduce the number of cars that are towed. Finally, AB 2594 will prevent the loss of a vehicle that reduces employment and income needed to pay for toll violations.

For all these reasons, Western Center supports AB 2594 and urges the committee to vote "aye" on the measure."

Arguments in Opposition

None on file

FISCAL COMMENTS

According to the Senate Appropriations Committee, pursuant to Senate Rule 28.8, negligible state costs.

VOTES:

ASM TRANSPORTATION: 15-0-0

YES: Friedman, Fong, Berman, Chen, Daly, Davies, Gipson, Kalra, Lee, Medina, Nazarian, Nguyen, O'Donnell, Ward, Wicks

ASM APPROPRIATIONS: 12-0-4

YES: Holden, Bryan, Calderon, Carrillo, Mike Fong, Gabriel, Eduardo Garcia, Levine, Quirk, Robert Rivas, Akilah Weber, Wilson

ABS, ABST OR NV: Bigelow, Megan Dahle, Davies, Fong

ASSEMBLY FLOOR: 76-0-2

YES: Aguiar-Curry, Arambula, Bauer-Kahan, Bennett, Bigelow, Bloom, Boerner Horvath, Mia Bonta, Bryan, Calderon, Carrillo, Cervantes, Chen, Choi, Cooley, Cooper, Cunningham, Megan Dahle, Daly, Davies, Flora, Mike Fong, Fong, Friedman, Gabriel, Gallagher, Cristina Garcia, Eduardo Garcia, Gipson, Gray, Grayson, Haney, Holden, Irwin, Jones-Sawyer, Kalra, Kiley, Lackey, Lee, Levine, Low, Maienschein, Mathis, Mayes, McCarty, Medina, Mullin, Muratsuchi, Nazarian, Nguyen, Patterson, Petrie-Norris, Quirk, Quirk-Silva, Ramos, Reyes, Luz Rivas, Robert Rivas, Rodriguez, Blanca Rubio, Salas, Santiago, Seyarto, Smith, Stone, Ting, Valladares, Villapudua, Voepel, Waldron, Ward, Akilah Weber, Wicks, Wilson, Wood, Rendon

ABS, ABST OR NV: Berman, O'Donnell

UPDATED

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