SENATE RULES COMMITTEE

Office of Senate Floor Analyses

(916) 651-1520 Fax: (916) 327-4478

THIRD READING

Bill No: AB 334

Author: Petrie-Norris (D) Amended: 7/17/25 in Senate

Vote: 21

SENATE TRANSPORTATION COMMITTEE: 13-0, 6/24/25

AYES: Cortese, Strickland, Archuleta, Arreguín, Blakespear, Dahle, Gonzalez, Grayson, Limón, Menjivar, Richardson, Seyarto, Umberg

NO VOTE RECORDED: Cervantes, Valladares

SENATE JUDICIARY COMMITTEE: 13-0, 7/15/25

AYES: Umberg, Niello, Allen, Arreguín, Ashby, Caballero, Durazo, Laird, Stern,

Valladares, Wahab, Weber Pierson, Wiener

ASSEMBLY FLOOR: 74-0, 5/19/25 (Consent) - See last page for vote

SUBJECT: Operators of toll facilities: interoperability programs: vehicle

information

SOURCE: Transportation Corridor Agencies

DIGEST: This bill clarifies the data operators of toll facilities on federal-aid highways engaged in an interstate interoperability program can provide regarding a vehicle's use of the facility.

ANALYSIS:

Existing federal law requires all federal-aid highway toll facilities to implement technologies or business practices that provide for the interoperability of electronic toll collection.

Existing state law:

1) Requires the Department of Transportation (Caltrans), in cooperation with entities planning to implement a toll facility in the state, to adopt functional

- specifications and standards for an automatic vehicle identification system, as specified.
- 2) Authorizes operators of toll facilities on federal-aid highways engaged in an interoperability program to provide the following information regarding a vehicle's use of the toll facility:
 - a) License plate number;
 - b) Transponder identification number;
 - c) Date and time of transaction; and,
 - d) Identity of the agency operating the toll facility.
- 3) Requires the toll operator to comply with all federal and state privacy protection laws.
- 4) Allows a transportation agency, with respect to an electronic toll collection system (ETCS), to share data with another transportation agency solely to comply with interoperability specifications and standards adopted regarding electronic toll collection devices and technologies.
- 5) Prohibits a transportation agency from selling or providing identifiable information of any person who subscribes to an electronic toll or electronic transit fare collection system or who uses a toll bridge, toll lane, or toll highway that employs an electronic toll collection system.
- 6) Requires a transportation agency that employs an electronic toll collection or an electronic transit fare collection system to establish a privacy policy regarding the collection and use of personally identifiable information.

This bill:

- 1) Clarifies the data operators of toll facilities on federal-aid highways engaged in an interstate interoperability program can provide to an out-of-state toll agency or interstate interoperability tolling hub only the following information regarding a vehicle's use of the toll facility:
 - a) License plate data;
 - b) Transponder data; and,

- c) Transaction data, which may include acknowledgement data, correction data, and reconciliation data.
- 2) Authorizes the toll facility operator to provide information listed above only if it is listed as a "required" field within the National Interoperability Interface Control Document Version 2.0 as it was in effect on July 1, 2025.
- 3) Stipulates that if a toll facility operator needs to collect information in addition to the information allowed by the provisions of this bill, without transmitting the information, to implement interstate interoperability, the collection must follow existing law prohibiting the sale or sharing of data, as specified, and any transmission of the additional data would be a deemed a violation.
- 4) Requires a transportation agency that participates in interstate interoperability to post on its internet website the data types required to implement interstate interoperability, as established in the National Interoperability Interface Control Document Version 2.0 that is published by the National Interoperability Committee.
- 5) Contains a sunset date of January 1, 2035.

Comments

- 1) *Purpose of this bill*. According to the author, "When tolling agencies are nationally interoperable, customers will be able to seamlessly use their account on all toll facilities, further enhancing efficiencies in our transportation system and providing an added benefit for drivers across the state and nation. This simple fix will not only expand the benefits of toll interoperability, but it will replace the current and burdensome system with a safer, more efficient, and cost-effective system that benefits both customers and toll agencies alike."
- 2) *Toll roads in California*. California has approximately 400,000 lanes miles of state and local roadways. There are currently 25 toll facilities across the state, including toll bridges, toll roads, and high occupancy toll lanes covering over 870 lanes miles. Numerous agencies operate the toll facilities in California, with varying governance and financing structures and statutory authority.
 - Toll revenue can be used to fund the construction, expansion, and maintenance of roads, bridges, and tunnels. Typically, bonds are issued to fund the initial construction of a toll facility and then paid back by toll revenue. Specifically, toll facilities in California include: Bay Area toll bridges, I-101 Express lanes,

I-680 Express lanes, I-580 Express lanes, State Route (SR) 237 and I-880 Express lanes, I-10 and I-15 Express lanes, I-10 and I-110 Express lanes, I-405 Express lanes, SR 91 Express lanes, SR 125 toll road, SR 241, 261, 133, and 73 toll roads. These toll facilities are located in Orange, Riverside, San Diego, Alameda, Contra Costa, Marin, San Francisco, and San Mateo counties.

3) *ETCS*. Historically, a motorist would have to stop to pay a toll in cash at a toll both, but the advent of ETCSs, including FasTrak, as well as pay-by-plate systems, motorists do not have to stop a toll plaza to pay. In fact, after the COVID-19 pandemic, many toll agencies, such as the Bay Area Toll Authority, who manages the seven in the Bay Area toll bridges, removed the existing toll booths from the roadway and moved elusively to all-electronic tolling.

With FasTrak, the subscriber's automobile contains a transponder containing a number that is read by an electronic reader as the vehicle passes a certain point. This information is then linked to a database with the subscriber's name, address, and credit card number for billing purposes. FasTrak grew out of SB 1523 (Kopp, Chapter 1080, Statutes of 1990), which required Caltrans to develop and maintain specifications and standards that enable interoperability between all toll agencies in the state.

All California toll agencies use FasTrak for toll payment. Since 1995, toll agencies have been interoperable, meaning customers can use their FasTrak transponder on all tolled bridges, lanes, and roads throughout the state, and toll agencies can collect the revenue from other agencies. In fact, the California Toll Operators Committee (CTOC), which is a collaborative organization composed of California's toll facility operators/owners, operate a FasTrak website to make intrastate use as seamless as possible. According to CTOC, California's toll agencies serve over six million FasTrak account holders and process millions of transactions.

4) ETCS privacy protections. In 2010, SB 1268 (Simitian, Chapter 489, Statutes of 2010), established a framework guiding how a toll agency may use the personal information of either an electronic toll collection subscriber or user of a tolled facility that employs an ETSC. According to the policy committee analyses of that bill, it was borne out of a concern that ETCSs have the ability to track information such as location and speed of the vehicle, time of day, and other personal information. As a result, toll agencies may collect and store significant amounts of personal information about California's motorists. SB 1268 was intended to ensure that personally identifiable information collected

- using electronic toll collection systems was not inappropriately used for marketing purposes.
- 5) Federal support of national interoperability. In 2012, the Moving Ahead for Progress in the 21st Century Act (MAP-21, P.L. 112-141), which authorized over \$105 billion for the nation's surface transportation program, included provisions mainstreaming the tolling of new interstates and added lanes on existing interstates. MAP-21 also required that all federal-aid highway toll facilities implement technologies or business practices that provide for the interoperability of electronic toll collection by October 1, 2016. This requirement aimed to expand the existing in-state interoperability of tolling systems to a national level, allowing drivers to use a single account to pay tolls anywhere in the United States.

To help facilitate national interoperability, tolling agencies across the country formed the National Interoperability (NIOP) Committee. According to the NIOP, it is "dedicated to activities and programs that advance the goal of national electronic tolling interoperability." NIOP is responsible for developing business rules with which the participants must comply and publishes the National Interoperability Interface Control Document, which defines the formats for all data that is transmitted between participants.

6) California can't join in but AB 344 seeks to fix that. As mentioned, current law facilitates intrastate interoperability allowing tolling agencies in California to exchange specific data necessary to have a seamless toll processing system for all toll facilities in California. However, current law prohibits California toll agencies from sharing necessary toll data with out-of-state toll agencies which has made interstate, or national, interoperability infeasible for California toll agencies. Specifically, current law limits the data points that can be shared among interstate toll agencies to license plate number, transponder identification number, date and time of transaction, and identity of agency operating the toll facility.

This bill would clarify the types of data categories, not only specific data points, of information regarding a vehicle's use of a toll facility that toll agencies can share with other states. Specifically, the categories include license plate data, transponder data, and transaction data. The transaction data may include acknowledgement data, correction data, and reconciliation data for the toll authorities to acknowledge receipt of information from an out of state toll operator; correct toll transactions, if needed; and reconcile toll transactions on a periodic basis. Each of these data categories is required by the NIOP.

Additionally, recent amendments to this bill add additional privacy protections by restricting the data toll agencies can share to data required by a specific NIOP publication in effect as of July 1, 2025 and requiring agencies to post the NIOP-required data types on its website. As noted, this data is currently allowed to be shared within California.

According the Transportation Corridor Agencies (TCA), the sponsors of AB 334, an estimated 10 million California tolling agency accountholders would potentially benefit from this bill. Additionally, all 13 California toll agencies would potentially gain efficiencies in processing toll transactions involving drivers from out of state. Out-of-state drivers with toll accounts who are visiting California would also stand to benefit from increased convenience. Based on estimates from 2024, there were approximately 1.1 million transactions for TCA and nearly 4 million statewide out-of-state transactions that could potentially qualify for national interoperability.

FISCAL EFFECT: Appropriation: No Fiscal Com.: No Local: No

SUPPORT: (Verified 8/11/25)

Transportation Corridor Agencies (Source)

AAA Northern California, Nevada & Utah

AAA Northern California, Nevada, and Utah

Aliso Viejo Chamber of Commerce

American Council of Engineering Companies, California

Association of California Cities - Orange County

Auto Club of Southern California

Automobile Club of Southern California

Black Chamber of Orange County

City of Laguna Niguel

City of Los Alamitos

Corona Chamber of Commerce

Costa Mesa Chamber of Commerce

Dana Point Chamber of Commerce

Eastvale Chamber of Commerce

Economic Development Coalition of Southwest Riverside County

Greater Irvine Chamber of Commerce

Inland Empire Regional Chamber of Commerce

International Bridge, Tunnel & Turnpike Association

Ladera Rancho Chamber of Commerce

Laguna Hills Chamber of Commerce

Laguna Niguel Chamber of Commerce
Lake Elsinore Valley Chamber of Commerce
Lake Forest Chamber of Commerce
League of California Cities Orange County Division
Metropolitan Transportation Commission
Mission Viejo Chamber of Commerce

Move LA

Newport Beach Chamber of Commerce

Norco Area Chamber of Commerce

North Orange County Chamber of Commerce

Orange Chamber of Commerce

Orange County Business Council

Orange County Council of Governments

Orange County Taxpayers Association

Orange County Transportation Authority

Rancho Santa Margarita Chamber of Commerce

Riverside County Transportation Commission

San Bernardino County Transportation Authority

San Diego Association of Governments

San Juan Capistrano Chamber of Commerce

Santa Ana Chamber of Commerce

South Orange County Economic Coalition

Southern California Association of Governments

Southwest California Legislative Council

Tustin Chamber of Commerce

Yorba Linda Chamber of Commerce

OPPOSITION: (Verified 8/11/25)

Consumer Federation of California Electronic Frontier Foundation

ARGUMENTS IN SUPPORT: Writing in support of this bill, the Southern California Association of Governments (SCAG) notes, "While Californians enjoy in-state interoperability through FasTrak, current law has prevented the state from joining a nationally interoperable toll system, such as E-ZPass, which already spans over 15 states and services tens of millions of drivers. By authorizing California tolling agencies to share new types of customer information, limited to those required to implement interstate interoperability, Californians would be able to use their existing accounts on toll facilities nationwide seamlessly.

"As a regional transportation planning agency, SCAG is pleased to support this bill, which would promote efficient transportation system integration across state lines. The bill would ensure that travelers using toll facilities across state lines can have their home toll account billed, while also providing a reduction in toll operation costs."

ARGUMENTS IN OPPOSITION: Writing in opposition, the Electronic Frontier Foundation (EFF), a San Francisco-based, non-profit organization that works to protect civil liberties in the digital age, details their concerns with this bill, noting, "AB 334 is less than transparent about the required data sharing that California would engage in, should the bill become law. True, existing law is not especially transparent about the details of interstate interoperability data sharing in the first place; existing Section 31490 is based generally on the need to comply with federal authority without any indication of what the federal requirements actually are. Existing Section 31490 is, however, unambiguous about what data may be shared out of state. As written, this bill provides no transparency in who decides what data is to be shared, how those decisions are made, and how that might impact the data practices and policies of California toll operators."

ASSEMBLY FLOOR: 74-0, 5/19/25

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Carrillo, Castillo, Chen, Connolly, Davies, DeMaio, Elhawary, Ellis, Fong, Gabriel, Gallagher, Garcia, Gipson, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

NO VOTE RECORDED: Caloza, Dixon, Flora, Jeff Gonzalez, Papan

Prepared by: Melissa White / TRANS. / (916) 651-4121 8/14/25 16:22:49

**** END ****