



## HOUSE COMMITTEE ON APPROPRIATIONS

# FISCAL NOTE

HOUSE BILL NO. 2139

PRINTERS NO. 2885

PRIME SPONSOR: Warner

### COST / (SAVINGS)

FUND	FY 2021/22	FY 2022/23
Motor License Fund	\$0	\$0
Pennsylvania Turnpike Commission Funds	\$0	See "Fiscal Impact"

**SUMMARY:** Requires the PA Turnpike Commission to notify E-ZPass account holders if the account has been charged a Flat V-Toll because the E-ZPass transponder was malfunctioning or unreadable, increases enforcement of unpaid tolls, and makes other technical and editorial changes related to cashless tolling. This legislation would take effect in 60 days.

**ANALYSIS:** This legislation amends several sections in Title 74 (Transportation) and Title 75 (Vehicles) to require the PA Turnpike Commission's (PTC) notification of flat video tolls (V-Tolls) to E-ZPass account holders, require an annual report on uncollected toll revenue, require a feasibility study on alternative payment systems, and alters the criteria for registration suspensions for unpaid invoices. Additionally, this legislation makes multiple technical and editorial updates to address electronic tolling collection (cashless tolling).

**V-Tolls:** This legislation amends section 8117 (related to electronic toll collection) of Title 74 to update terminology by replacing the references to certain terms such as replacing the term "violation enforcement system" with the term "toll collection system" and replacing "notice of violation" with the term "invoice". The section is also amended to allow the PTC to obtain address information from sources, such as the United States Postal Service, debt collection services, reviews of telephone directories or related skip-tracing practices, to locate an alternative address for the vehicle owner or the address of the operator if the mail is returned undeliverable.

This section is also amended to require the PTC to indicate on an account statement if a V-Toll has been posted to the customer's account, including the date and the dollar amount of the V-Toll. The PTC must also post notice on its website indicating an account may be charged a Flat V-Toll if the PTC is unable to match a license plate image.

The PTC must notify an electronic toll collection device (E-ZPass) account holder upon the

posting of the first Flat V-Toll to the account in a calendar year by either mail or email as determined by the customer. The notification must include:

- Information on proper placement of the E-ZPass.
- Information regarding replacement of the E-ZPass.
- Notice that failure to respond may result in additional Flat Video Tolls and administrative fees posted to the account.
- Other information as determined by the PTC.

The PTC must provide for an appeal process.

**Changes to Registration Suspensions for Tolling Violations:** Section 1380 (related to suspension of registration upon unpaid tolls) of Title 75 (Vehicles) is amended by reducing the threshold that triggers a vehicle suspension for unpaid tolls from six unpaid invoices to four, or from \$500 in total unpaid invoices to \$250. Additionally, the statute of limitations for toll violations is increased from three years to five years. The term "violation" is replaced with "unpaid invoice" throughout the section.

**Reports and Studies:** Section 8121 (related to annual hearing and reports) of Title 74 is amended to require that no later than October 1, 2022, and each October 1 thereafter, the PTC shall submit a report to the General Assembly summarizing toll revenues that are collected and uncollected, both actual and projected, including the reasons that the toll revenues are uncollected, during the prior fiscal year. The report must be submitted to the House and Senate Transportation Committee Chairs. The report must include:

1. The dollar amount of toll revenues collected and projected to be collected during the prior fiscal year.
2. The dollar amount and percentage of toll revenues collected and projected to be collected during the prior fiscal year by collection method.
3. The dollar amount and percentage of tolls uncollected and projected to be uncollected during the prior fiscal year.
4. A breakdown of uncollected tolls detailing the reason for failure to collect, including an unreadable or missing license plate, an undeliverable address or an unpaid invoice.

Additionally, the PTC must conduct a feasibility study to assess alternative electronic toll collection payment options, including:

1. A review of third-party organizations that process accounts and transactions for toll collection through electronic funds transfer.
2. A review of electronic push notification alerts with the goal of posting a notification within 24 hours of the transaction posting to a customer's account or as soon as practicable if a valid account is not recognized at the time of the transaction.
3. A review of the PTC's existing customer payment application.
4. Recommendations from the PTC.

This feasibility study must be completed within one year of the effective date and copies must be delivered to the House and Senate Transportation Committee Chairs.

**FISCAL IMPACT:** The PTC has indicated that they incurred bad debt expenses (primarily uncollected toll revenues) averaging \$78.3 million per year for fiscal years 2017-18, 2018-19, and 2019-20. This legislation would provide the PTC with additional tools to begin collecting outstanding tolls from violators. At this point, it is indeterminable as to how much additional toll revenue can be collected as a result of this legislation.

**PREPARED BY:** Tim Rodrigo  
House Appropriations Committee (R)

**DATE:** May 23, 2022

*Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*