

**SENATE APPROPRIATIONS COMMITTEE
FISCAL NOTE**

BILL NO. Senate Bill 1086

PRINTER NO. 1509

AMOUNT

See Fiscal Impact Chart Below

FUND

Delaware River Port Authority's General Fund
Delaware River Joint Toll Bridge Commission's
General Fund
Pennsylvania Turnpike Commission's Electric Toll
Collection Account

DATE INTRODUCED

December 11, 2015

PRIME SPONSOR

Senator Rafferty

DESCRIPTION AND PURPOSE OF BILL

Senate Bill 1086 amends Title 75 (Vehicles) of the Pennsylvania Consolidated Statutes, in registration of vehicles, further providing for display of registration plate and for surrender of registration plates and cards upon suspension or revocation and providing for suspension of registration upon unpaid tolls and, in fees, further providing for reinstatement of operating privilege or vehicle registration.

This legislation authorizes the Pennsylvania Department of Transportation (Department) to suspend the vehicle registration of a motorist that evades or fails to pay a toll on the Pennsylvania Turnpike or another tolling entity.

The legislation does the following:

- Expands §1332 (relating to display of registration plate) to make it unlawful to display on any vehicle a registration plate which:
 - 1) Inhibits the proper operation of an automated enforcement system authorized by this title or an electronic toll collection system as authorized under 74 Pa.C.S §8117 (relating to toll collection); or,
 - 2) Is obscured, covered or otherwise obstructed in a manner which inhibits the visibility of the issuing jurisdiction at a reasonable distance.
- Updates §1376 (relating to surrender of registration plates and cards upon suspension or revocation) to provide for immediate seizure of registration plates and cards when a suspension is imposed pursuant to §1380 until all tolls, administrative fees and costs have been paid, dismissed, reversed on appeal or cancelled or if the owner or registrant enters into an agreement with the tolling entity to make installment payments.

SENATE APPROPRIATIONS COMMITTEE

FISCAL NOTE

- Adds a new section, §1380 (relating to suspension of registration upon unpaid tolls) that clarifies the process of suspending a vehicle registration for evading and/or failing to pay a toll to a "tolling entity." Additionally, this new section establishes certain procedures that shall be followed in order for a vehicle registration to qualify for suspension. A "tolling entity" is defined as follows:
 - 1) The Pennsylvania Turnpike Commission (PTC); and
 - 2) An entity, or its authorized agent, authorized to impose and collect tolls in accordance with the laws of this Commonwealth, the laws of another state, or the terms of an interstate compact or agreement.
- Provides for reciprocal collection agreements with other states;
- Implements a 3-year statute of limitations on imposing a vehicle registration suspension for evading or failure to pay a toll; and
- Amends §1960 (relating to reinstatement of operating privilege or vehicle registration) requiring the Department to charge a fee of \$88, to restore a person's vehicle registration, as a result of a violation of §1380.

The definition for a "tolling entity" was amended with the intention of making it broad enough to capture the Delaware River Port Authority (DRPA) and the Delaware River Joint Toll Bridge Commission (DRJTBC).

This act shall take effect in nine months.

Concerning unpaid E-ZPass violations by state, the top five states after Pennsylvania for number of violations are as follows:

1. New Jersey
2. Ohio
3. New York
4. Florida
5. Maryland

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

PTC E-ZPass Violation Information
(by Fiscal Year)

Fiscal Year	# of Electronic Toll (E-ZPass) Transactions	Total Violation Notices Issued	Uncollected Toll Revenue and Administrative Fees	Revenue Loss Increase/Decrease
2016	157,070,514	1,680,409	\$5,435,030	45.34%
2015	147,471,096	1,351,131	\$3,739,534	1.49%
2014	139,309,326	1,072,213	\$3,684,714	-7.30%
2013	131,120,406	953,791	\$3,974,907	

DRPA E-ZPass Violation Information
(by Fiscal Year)

Fiscal Year	Uncollected Toll Revenue	Uncollected Administrative Fees	Total Due
2015	\$1,626,074	\$5,394,075	\$7,020,149
2014	\$1,171,895	\$3,894,400	\$5,066,295
Up to and including 2013	\$3,131,566	\$14,015,225	\$17,146,791
Total:	\$5,929,535	\$23,303,700	\$29,233,235

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

DRJTBC E-ZPass Violation Information (by Fiscal Year)			
Fiscal Year	Uncollected Toll Revenue	Uncollected Administrative Fees	Total Due
2016 (YTD through July 2016)	\$1,644,000	\$1,233,000	\$2,877,000
2015	\$2,815,000	\$2,250,000	\$5,065,000
2014	\$2,973,000	\$2,346,000	\$5,319,000
2013	\$2,946,000	\$1,460,000	\$4,406,000

FISCAL IMPACT:

Currently, tolling entities have no effective enforcement authority to collect tolls that were evaded and/or not paid at the time of exit. Uncollected tolls can only be placed with a collection agency and cannot be reported to credit reporting agencies, unlike other state agencies and authorities in the Commonwealth that have penalties in place for violators. A violator cannot have their driver’s license and/or vehicle registration suspended and cannot be charged with any offense under Title 75.

Of the \$766 million in E-ZPass revenue collected during the PTC’s last fiscal year (ending May 31, 2016), approximately \$5.4 million, or 0.7%, was considered “uncollectible” violation revenues that were written off after all collection efforts or adjusted charges were exhausted.

Following is a chart of estimated additional revenues collected by the Pennsylvania Turnpike Collection with the enactment of this legislation:

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

Pennsylvania Turnpike Commission	
Percentage of Additional Violations Collected: (previously written off as forgiven debt)	Additional Annual Revenues Collected: (PTC FY 2017-18)
20%	\$720,000
30%	\$1,080,000
40%	\$1,440,000
50%	\$1,800,000

Additional annual revenues collected are expected to increase each fiscal year, thereby reducing the amount of forgiven violations being written off.

Following is a chart of estimated additional revenues collected by the Delaware River Port Authority with the enactment of this legislation:

Delaware Port Authority	
Percentage of Additional Violations Collected: (previously uncollected and accruing late & administrative fees)	Additional Annual Revenues Collected: (PTC FY 2017-18)
20%	\$585,012
30%	\$877,519
40%	\$1,170,025
50%	\$1,462,531

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

Following is a chart of estimated additional revenues collected by the Delaware River Joint Toll Bridge Commission with the enactment of this legislation:

Delaware River Joint Toll Bridge Commission	
Percentage of Additional Violations Collected: (previously uncollected and accruing late & administrative fees)	Additional Annual Revenues Collected: (PTC FY 2017-18)
20%	\$422,083
30%	\$633,125
40%	\$844,167
50%	\$1,055,208