



The Honorable Therese McMillan
 Executive Director
 Metropolitan Transportation Commission
 375 Beale St #800
 San Francisco, CA 94105

The Honorable Amy Worth
 Chair, BATA Oversight Committee
 Metropolitan Transportation Commission
 375 Beale St #800
 San Francisco, CA 94105

The Honorable Alfredo Pedroza
 Chair
 Metropolitan Transportation Commission
 375 Beale St #800
 San Francisco, CA 94105

Cc: Metropolitan Transportation Commissioners

October 12, 2021

Re: Recommendations for bridge toll fines and fees policy updates to increase equity

Dear Executive Director McMillan, Chair Pedroza, and Chair Worth,

Thank you for evaluating and considering updates to your unpaid tolls violation systems. The Metropolitan Transportation Commission, or MTC, has shown significant leadership on issues

around fines and fees during the ongoing COVID-19 pandemic which we believe can be built upon to increase equity for Bay Area drivers.

In 2020, MTC transitioned to all electronic tolling to protect public health and increase safety for drivers throughout the Bay Area. When the Commission saw a significant increase in unpaid tolls as a byproduct of the shift, you recognized the potential harms caused by the existing system and intervened. Fines and fees were suspended, as was the practice of putting car registrations on hold as a result of non-payment. MTC also invested in customer service, including opening a new call center with expanded language options as well as simplifying online payment and processing systems. We want to thank you for everything you did in 2020, and ask that as you consider further reforms to your unpaid tolls system to improve accessibility and reduce the harms caused by missing a toll payment.

Costly fines and fees from unpaid bridge tolls put thousands of Bay Area residents into debt every year. When a person drives over one of the region's toll bridges, they are charged a \$6 toll and are mailed an invoice for the amount owed or one of multiple kinds of accounts are charged. If people do not promptly pay their toll, or if their related accounts are empty, they are charged a series of fines and fees that can ultimately reach \$70 for each missed toll payment (over 10 times the original missed toll). When people accrue multiple of these unpaid tolls, they can find themselves in hundreds or thousands of dollars in debt, with the original tolls representing a fraction of the amount owed and with many having no way to repay their debts. For lower income people, these debts can force them into situations where they must choose between paying their rent or other bills and paying the accumulated fines and fees. Large fines and fees like those that can be accumulated for non-payment of bridge tolls can trap people in a cycle of debts, destabilizing them economically and setting them on a path to poverty that is difficult to get off of.

In 2019, there were **5 million** such instances of unpaid tolls resulting in violation notices. **Of those violations more than 1 million came from just 20 zip codes in the nine-county Bay Area, indicating that a handful of communities disproportionately bear the brunt of the current system.** Communities residing in these zip codes are more likely to be low-income than the rest of the region, and are more racially diverse. In San Francisco, the neighborhoods most disproportionately represented among people ticketed are Bayview and Hunter's Point, two of the city's last neighborhoods with large Black populations. In the East Bay, cities with large Black and Latinx populations such as Richmond and Oakland have higher rates of violations than whiter cities. Our region's Black and Latinx communities are the ones who are most likely dealing with costly fines and fees.

The fines and fees from unpaid tolls also come with heavy collateral consequences. Approximately seven out of ten unpaid toll violations reached the stage where the California

Department of Motor Vehicles (DMV) placed a registration hold on their car registration. A registration hold does not allow a person to renew their registration until they have paid their toll debts. This creates a significant barrier for people with lower incomes who cannot afford to pay such a large unexpected expense. If unable to pay the debt down immediately, people are forced to choose between breaking the law by driving on an expired registration or doing necessary travel, such as to work or medical appointments.

The current notification system is not up to the task of notifying people of their toll debts prior to accruing violations. The notification system relies entirely on paper mailing with addresses generated from FasTrak accounts and collaborations with the DMV. If people do not receive the letters, they are exposed to fines and fees. The switch to all-electronic tolling has dramatically increased the risk of people accumulating fines and fees because of an out-of-date notification system. In many circumstances, the first time people learn of an unpaid toll debt is when they try to renew their car registration or they receive a phone call from a collections agency. Housing-insecure people are faced not only with tolls, fines, and fees that place a high financial burden on them, but they are also more likely to be subjected to these compounding fees that result from missing notices being sent to addresses that do not reflect their living conditions.

Over the last year, MTC has showcased their commitment to a more just strategy through the adoption of their first ever Equity Platform. **This platform, along with the policies rolled out during the pandemic to relieve some of the burden of punitive fines and fees on the lowest income Bay Area residents, are steps in a direction that must be continued.** Given the progress made in the last year, MTC has shown their ability to move swiftly to implement changes and consider equity in new ways. We recommend a series of actions, building on the work done by MTC in 2020, to help reduce the harm of the existing system and begin to move towards an equitable tolling system.

As MTC reevaluates its unpaid toll notification and violation systems, we ask that MTC commit to:

- **Eliminate all fees and reduce all fines**
- **Establish payment plans for all future unpaid toll related debts**
- **End fines for low-income people**
- **Commit to modernizing and improving the notification system**
- **End the use of DMV holds for people who cannot afford to pay**
- **Forgive all past fines and fees owed**

As MTC looks to design a more effective and equitable unpaid tolls system, there is a real opportunity to be a national leader on building equitable and sustainable systems that can work

for everyone. Given that MTC's revenue from collecting fines and fees is less than 1% of their total budget, these changes are tangible and would result in significant relief for low-income people and communities of color throughout the Bay Area. Building on work from 2020, MTC can lead the nation in developing a new framework through which to collect unpaid tolls.

Thank you in advance for taking the time to review and consider these recommendations. If you would like to discuss these recommendations, please contact Jacob Denney at jdenney@spur.org.

Sincerely,

ACLU Foundation of Northern California

All of Us or None

Anti Police-Terror Project

GLIDE

Insight Center for Community Economic Development

Lawyers' Committee for Civil Rights of the San Francisco Bay Area

San Francisco Foundation

San Francisco Taxpayers for Public Safety

SF Human Rights Commission

SPUR

The San Francisco Financial Justice Project

TransForm

Young Women's Freedom Center