

# **Civil Penalty Process For Toll Violations**

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**April – June 2013**  
**(Revised due to TNB Financial Statement Correction)**

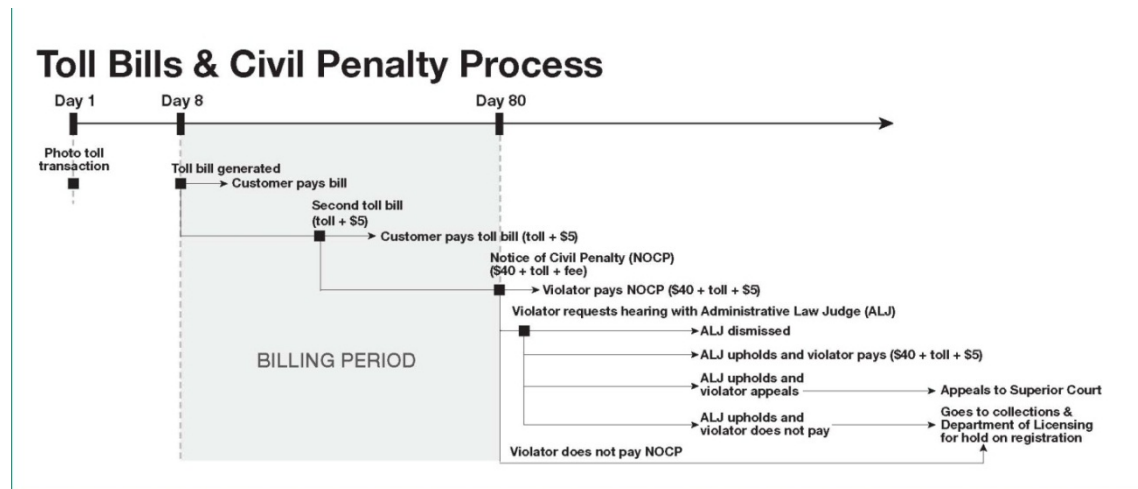
## Summary:

The attached report is for the period April - June 2013 and addresses requirements in Section 209 (2) of Chapter 367, Laws of 2011 (ESHB 1175) regarding the civil penalty process for toll violations on toll facilities of the Washington State Department of Transportation.

The first notices of civil penalty (NOCP) were issued on April 09, 2012. For Fiscal Year 2013, 850,000 NOCP transactions have been issued (approximately 2.4% of total transactions). More than 69,000 NOCP transactions were paid without an administrative hearing and more than 80,000 NOCP transactions were adjudicated. In state NOCP recipients that did not respond by paying or requesting a hearing prior to the due date are eligible for vehicle registration holds with the Department of Licensing (DOL).

## The NOCP Process:

WAC 468-305-500 through 582 contains provisions related to the civil penalty process, which are consistent with RCW 46.63.160. In accordance with the rules, the Department will send an NOCP to the registered owner or renter of the vehicle who has not paid a toll within 80 days.



## Project Status:

Due to the release of the filtered transactions in the quality assurance program which concluded last quarter, Toll Operations experienced a large increase in all aspects of adjudication. For example, NOCPs issued increased almost 500%, NOCP Payments increased by 575%, and administrative hearings increased by 350% over previous quarter averages. WSDOT staff and the customer service vendor worked diligently to handle the rapid increase. The expectation is that the adjudication process will stabilize by the end of calendar year 2013.

For fiscal year 2013, \$4.87 million of \$40 NOCP fees were collected against \$1.92 million in adjudication costs. As of June 2013, the Tacoma Narrows Bridge adjudication program reached positive cumulative net cash collected of \$55,000. SR-520 Bridge adjudication program reached positive net cash collected in June 2012 and as of June 2013 its cumulative net cash collected is \$2.68 million.

## Reporting of NOCP Program Statistics:

Table 1 indicates NOCP and hearing volumes, workload cost and revenue for the fourth quarter of Fiscal Year 2013 for the Tacoma Narrows and SR-520 Bridges.

### Civil Penalty Process for Toll Violations April - June 2013

	TNB	SR-520 Bridge
1. Number of toll transactions recorded <sup>1</sup>	3,542,000	5,310,000
2. Number of civil penalties transactions issued <sup>2</sup>	163,822	375,718
3. Number of civil penalty transactions paid upon receipt of the NOCP	7,041	36,100
4. Number of civil penalty transactions adjudicated via a written dispute in lieu of hearing	3,293	9,474
5. Number of civil penalty transactions adjudicated via an in-person hearing	9,372	29,504
6. Number of civil penalty transactions which did not receive a response	144,114	300,629
7. Workload costs related to adjudicated transactions <sup>3</sup>	<del>\$152,595</del> <u>172,413</u>	\$465,491
8. Cost and effectiveness of debt Collection activities <sup>4</sup>	N/A	N/A
9. Cash received related to \$40 civil penalty fee <sup>5,6</sup>	\$274,679	\$1,733,158

- 1) Toll transactions as reported in the monthly toll report (RTS system). TNB transactions include manually collected transactions.
- 2) Civil Penalty Transaction data is queried from the ETCC database. The data is pulled at least 25 days after the NOCP transaction date in order to allow each recipient time to pay or request a hearing prior to the NOCP due date.
- 3) Workload costs represent the total costs charged to each toll facility in relation to the civil penalty program during this reporting period.
- 4) Debt Collection activities are anticipated to begin in two phases; DOL Holds (July 2013) and Collections (March 2014).
- 5) Revenues reported here represent cash received from NOCP penalty payments only. They do not include any toll or reprocessing fee cash collected. Amounts presented are not in whole \$40 increments due to partial payments.
- 6) Financial statements report total revenues earned after NOCP recipient has been found "liable" through an administrative hearing or deemed "liable" for not responding to the notice by the due date (20 days). This differs from the amount of cash collected which is presented here. The booked receivables for TNB and SR-520 Bridge were approximately \$3,449,533 and \$6,383,958 respectively for the period.