

**VERRA  
MOBILITY™**  
Safe. Smart. Connected.

# ALL-ELECTRONIC TOLLING AND FLEET VIOLATIONS:

How a managed tolling program can control violations and improve total cost of ownership



# ELECTRONIC TOLLING: UNRAVELING A COMPLEX LANDSCAPE

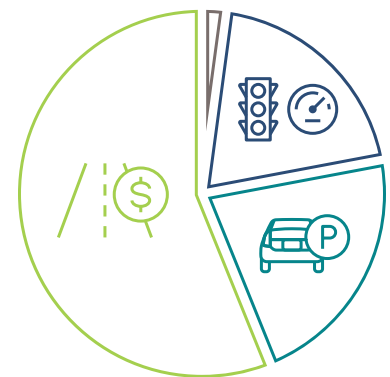
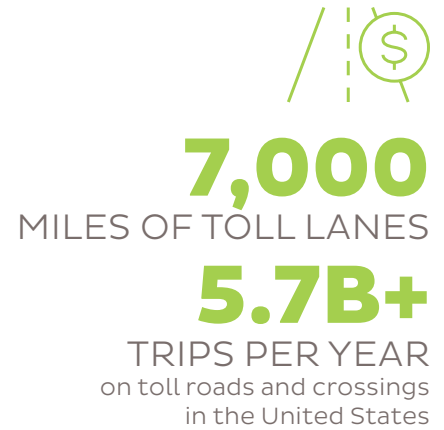
The numbers alone set the stage. There are more than 7,000 miles of toll lanes and more than 5.7 billion trips per year on tolled roads and crossings in the United States<sup>1</sup>. While far from gone, the days of the traditional tollbooths or plazas where drivers pay toll collectors cash are certainly numbered. Today's complex network of increasingly automated toll roads that don't offer a cash option is causing numerous problems for fleets that do not have a comprehensive toll management solution in place.

Consider, for example, the administrative and operational processes fleets must contend with in order to avoid toll violations. Obtaining transponders as well as setting up and maintaining toll accounts and proper plate numbers – even for a relatively small fleet – can prove to be an administrative headache. In addition, there are financial ramifications for fleets that have decided to handle toll management on their own.

## TOLLING DATA SHOWS STAGGERING VIOLATIONS

Data show that between 2012 and 2019, there was a roughly 50% increase in fleet violation volumes. Tolls, parking, and photo enforcement account for more than 95% of vehicle-issued violation volume impacting fleets, with the majority –almost 60% – of these infractions being toll violations<sup>2</sup>.

Violation fines can add up fast, especially if a fleet is comprised of several hundred or several thousand vehicles. What's more, toll violations are not issued to the driver but rather to the vehicle's registered owner. These tickets are issued thanks to the advanced optical capabilities of current video license plate recognition technology. This causes complications for fleets that don't have drivers assigned to individual vehicles, putting pressure on the purse strings of the enterprise as fleets often absorb the costs rather than track down the specific driver. That, in turn, increases a fleet's liability risk because it cannot identify which driver committed the infraction.





## A BUMPY ROAD FOR THOSE WHO GO IT ALONE

Many fleets try to manage their toll programs and violations independently. However, due to several factors, it is a daunting task.

For starters, of the 55 distinct toll authorities in the U.S., some are interoperable with one another while others are not. Nationwide, comprehensive electronic tolling interoperability is still a long way off.

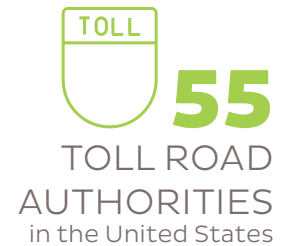
Driving across state lines is not always problematic – as long as those states' tolling authorities share interoperable systems. Conversely, if various states' systems are not interoperable, drivers who travel across state borders may face a violation even if they have an account set up with another toll authority, and not be aware of it until a violation is sent to the fleet

For fleets, the lack of true and comprehensive interoperability across tolling authorities has led to specific administrative and operational challenges. It means that ETC accounts are unavoidable. It may fall to the fleet manager to set up all of the separate driver tolling accounts, arrange to prefund, and manage them – taking time away from handling the core management of the fleet to deal with all the minutia of each driver's tolling account. The resulting administrative roadblocks will likely result in significant costs and inefficiencies for the fleet – and likely a continuous stream of violations.

There is also the issue of equipping vehicles with the correct transponder or multiple transponders if the vehicle travels through various tolling regions. This takes time, research, energy, and investment. If the fleet has decided to manage its own tolling program, this process of procuring the right equipment would also become the responsibility of the fleet manager or the driver.

In addition, fleets that are handling their toll programs on their own are stuck dealing with violations. Manually processing violations is labor-intensive and subject to human error. Toll violations – including penalties – often go undisputed and are paid by either the fleet or its fleet management company, putting a significant and possibly unnecessary strain on fleet budgets and negatively impacting the bottom line. Complicating matters further, violations are on the rise. Research shows that when a toll agency transitions to all-electronic tolling (AET) – as more and more are doing – fleet violation volume increases from 7 to 10%.

Finally, authorities are becoming more aggressive in collecting tolls, using a variety of tactics to garner payment – from professional debt collectors to public shaming campaigns.



TOLL  
55  
TOLL ROAD  
AUTHORITIES  
in the United States



VIOLATION  
VOLUME  
INCREASES  
**7-10%**  
when a toll agency transitions to  
all-electronic tolling (AET)



## BENEFITS OF PARTNERING WITH A TOLL MANAGEMENT PROVIDER

For many fleets, in this new era of ETC, going it alone is not the best option. A toll management provider simplifies the entire process.

Toll management providers, such as Verra Mobility, act as one-stop shops, so fleets have little to do with the tasks associated with toll and violation management. For example, Verra Mobility procures, inventories, and distributes the tolling transponders or transponder sticker tags – depending on the tolling region. According to the fleet’s preference, the toll management provider can ship the necessary tolling equipment either directly to the driver, through the fleet manager, or fleet management company.

In addition, toll management providers can troubleshoot important issues on a day-to-day basis. They can work directly with a driver who is moving to another tolling region – quickly recovering a transponder and issuing an appropriate new one.

Toll management providers, such as Verra Mobility, have strong relationships with multiple toll authorities. For fleets, the value of these relationships cannot be underestimated nor can the significantly increased visibility into aggregate tolls and spend.

Specifically, Verra Mobility offers toll management program coverage for fleets on 98% of U.S. tollways. This ensures that vehicles in a fleet can travel seamlessly between the majority of tolling regions.

Better management accounting is another benefit of partnering with a toll management provider. Fleets can use tolling as part of their total cost of ownership (TCO) calculation because, by using a provider, fleets know their exact toll spend. Fleet managers gain a clear picture of tolling activity and costs via a secure web-interface. Without this insight, fleet managers may not realize the average cost of a fleet toll violation is \$27 in most areas, but in New York, can be as high as \$50 per occurrence.

Verra Mobility also offers program flexibility. A fleet might opt for a personal-use tolling solution, which allows drivers to manage and pay for their own toll charges. Such a service helps with handling off-hours tolling, making it easier for the employee and less expensive for the fleet. This is only one example of the type of value-added services that a fleet toll management provider can assist with.



VERRA MOBILITY CURRENTLY OFFERS toll management program coverage for fleets on

**98%**

OF U.S. TOLLWAYS with electronic toll collection



PROCESSING **250M+** TOLLS AND **2.4M+** VIOLATIONS PER YEAR

Finally, a major benefit of partnering with a provider is the elimination of toll violations – which account for nearly 60% of all fleet violations. A toll management provider guarantees the technology that can ensure vehicles remain compliant on the road. Verra Mobility, for example, has developed a way for fleets to transition to an all-electronic, centralized system, using either a transponder or a license plate, which significantly reduces or prevents any violations.

Gone are the registration holds, vehicle impounds and other difficult consequences of tolling infractions. And with Verra Mobility, there are no additional costs involved in disputing a violation if the equipment fails or if there's a misread on a plate. Disputing violations and handling other tolling issues is part of the company's fully outsourced, value-added program to its fleet clients.

The upshot: Driver productivity thrives. The use of non-stop tolling lanes – without the threat of violations – means drivers experience less traffic-related delays, get to their destinations more quickly, and avoid needless paperwork due to violations.

## EASY TO SET UP

Setting up a fully outsourced tolling program with Verra Mobility is easy. The company's tolling program is integrated with the top 10 fleet management companies, which means that any changes a fleet manager makes, including adding, removing or replacing vehicles, or moving vehicles from one geographic region to another, is handled in an automated way, removing the administrative burdens from the fleet.

Industry data shows that the average return on investment (ROI) for fleets using a toll management provider is in the 30-40% range.

Choosing the right solution can sometimes require a modest investment. In the case of Verra Mobility, start-up costs are nominal. Fleets don't need to pre-fund toll accounts, they are perpetually funded through the tolling program. Customers are only charged for the equipment, removing the burden and unpredictable costs of handling all the administrative functions in-house. Coupled with its national scope, the Verra Mobility program will eliminate most tolling violations. In contrast, when fleets try to manage tolling on their own, a huge up-front investment is required. By choosing the right provider, fleets can avoid start up costs like pre-funding and maintaining multiple tolling accounts, purchasing transponders from multiple toll authorities and paying to package and ship those transponders to drivers all over the country.

The future of ETC is likely to bring with it more complexities but also a far more sophisticated, interoperable national network.

A movement is underway among agencies, states, and regional toll organizations to implement tolling interoperability. This also means realizing interconnected regional networks as well as an interoperable license plate database. Finally, interoperable transponder specifications have already been released industry-wide.

The long-term goal is that fleets will have the ability to pay for travel via toll facilities across the continent with a single account. That is true progress.

But, progress is impossible without change. The era of ETC is not going away. The right toll management provider, can help fleets better navigate during this time of transition while keeping the enterprise financially sound.



AVERAGE RETURN  
ON INVESTMENT  
(ROI) FOR FLEETS  
using a toll management  
provider is in the

**30-40%**  
RANGE



## ABOUT VERRA MOBILITY

Verra Mobility (NASDAQ: VRRM) serves the world's largest commercial fleets and rental car companies, managing tolling transactions and violations for millions of vehicles. A leading provider of connected systems, Verra Mobility processes millions of transactions each year through connectivity with more than 50 individual tolling authorities and 450+ issuing authorities. With full-service solutions to address tolling, violations and title registration needs. Verra Mobility partners with fleets and fleet management companies to ensure your vehicles stay compliant and productive on the road. Flexible, scalable products reduce paperwork, save money and simplify the complexities that fleet managers often face. Arizona-based Verra Mobility operates in more than 17 countries.

For more information, visit [www.verramobility.com](http://www.verramobility.com).

**Call:** 1-855-783-2336

**Email:** [fleetinfo@verramobility.com](mailto:fleetinfo@verramobility.com)



## RESOURCES

<sup>1</sup> "2015 Report on Tolling in the United States" – IBTTA. Accessed July 24, 2017.

[https://ibtta.org/sites/default/files/documents/MAF/2015\\_FactsInBrief\\_Final.pdf](https://ibtta.org/sites/default/files/documents/MAF/2015_FactsInBrief_Final.pdf)

<sup>2</sup> "Strategies to manage Fleet Violations" – Automotive Fleet; December 2013. Accessed July 24, 2017.

<http://www.automotive-fleet.com/channel/safety-accident-management/article/story/2013/12/strategies-to-manage-fleet-violations.aspx>

<sup>3</sup> Verra Mobility Data Sources