



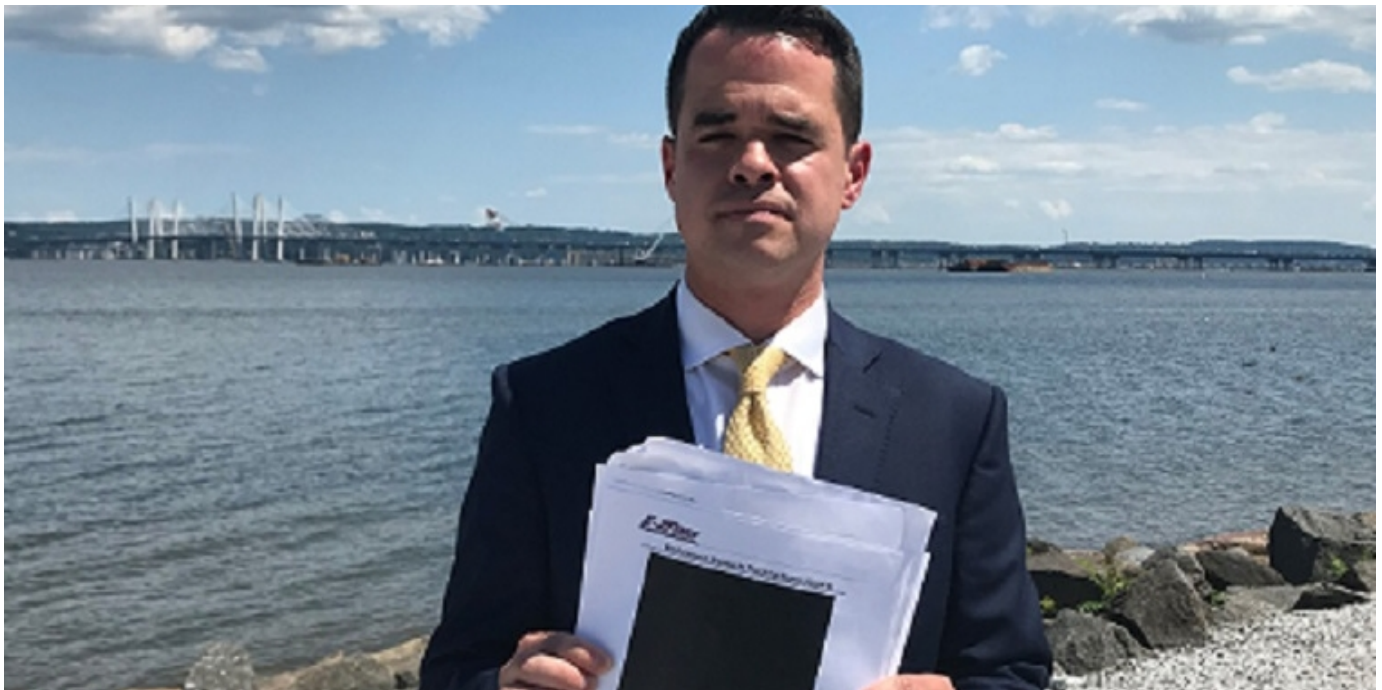
NEW YORK STATE SENATOR

David Carlucci

Abinanti and Carlucci Call to Cancel Conduent Cashless Tolling Contract

SEN. CARLUCCI July 19, 2018

| ISSUE: **CASHLESS TOLLING**



NYACK, NY – Assemblyman Tom Abinanti (D- Greenburgh/Mt. Pleasant) and Senator David Carlucci (D- Westchester, Rockland) called on the New York State Thruway Authority to cancel their \$72 million contract extension with Conduent on Thursday.

Conduent is the private company operating New York's cashless tolling system. The lawmakers made their announcement in front of the Mario M. Cuomo Bridge.



“We are wasting tax payer dollars investing in a company who is not performing up to the standards New York drivers deserve. Too many people have called my office in tears not understanding how they could owe thousands of dollars in toll bills for going over the bridge only a few times,” said Senator David Carlucci. “This is about standing up for the little guy and not letting a corporate giant like Conduent get away with excessive fines and late issued bills that put some people into burdensome debt.”

“Conduent still hasn’t fixed its chaotic collection system where registrations are put at risk if people don’t pay exorbitant penalties for toll bills they never received,” said Assemblyman Abinanti. “Conduent is a private corporation that’s reaching its bottom line on the backs of hardworking New Yorkers. We need government to work for the people not against them.”

In 2007, the Thruway Authority signed a 10-year contract with Conduent for \$20 million a year – totaling \$202.5 million. Despite problems with the cashless tolling system, the

Thruway Authority extended their contract for another 3- years in October of 2017 for \$72 million or \$24 million a year.

Abinanti and Carlucci cited Conduent's mismanagement leading to the 2018 state amnesty program, which cleared 281,000 Mario M. Cuomo Bridge violations worth more than \$1.4 million.

Both lawmakers have been at the forefront in calling for reforms to the cashless tolling system after hearing complaints from residents who were charged exorbitant penalties and fines. In some cases people claimed they never received their initial bill, and most alarming, were reports of drivers who had their vehicle registration suspended due to unpaid toll bills.

Senator Carlucci obtained the Thruway Authority's contract with Conduent through a freedom of information request. He said he was stunned to find the contract was largely redacted.

"What are they hiding here? At least 500 pages of the 1,569-page contract are largely blacked out. Parts about quality assurance, performance standards, transaction processing, toll evasion processing, and image review processing are missing. We need transparency when we have seen this many residents complain," said Senator Carlucci.

"The contract must benefit New Yorkers, not just profit Conduent. Conduent's track record in other states gives cause for concern especially at a time when the State and its agencies are proposing to take Conduent cashless tolling statewide," said Assemblyman Tom Abinanti "Concealing the details of Conduent's contract totally contradicts the State's claim that it is transparent."

The Thruway Authority can withhold payments to Conduent when they do not meet certain performance standards. Documents from the Thruway Authority show Conduent

was financially penalized \$477,272 for failing to meet customer service standards from April 2015 to January 2017, but the area in the contract labeled “performance standards” has been redacted.

Additionally, Conduent has been plagued with issues in other states across the country. In Texas and Maryland, amnesty programs had to be implemented similar to New York due to billing errors, and in California, about 16,000 residents filed a class-action lawsuit against Conduent for not receiving their initial toll bills in the mail. Maryland ended up canceling their contract with the company in 2017, and Florida is threatening to follow suit if Conduent does not make improvements after their system went offline for nearly one month.

New York’s contract offers a termination clause that gives the Thruway Authority the right to postpone, suspend, abandon or terminate the contract at any time for any reason if written notice is provided 45 days prior to suspension.

RELATED LEGISLATION

2017-S8946

- Introduced

- ○ In Committee Assembly
 - In Committee Senate

- ○ On Floor Calendar Assembly

- On Floor Calendar Senate

- ◦ Passed Assembly

- Passed Senate

- Vetoed By Governor

- Signed By Governor

-

Enacts the "toll payer protection act"; repealer

June 07, 2018

Senate Floor Calendar

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