



RECEIVED SEP 19 2019

September 16, 2019

Arjun Singh  
President  
Union of British Columbia Municipalities (UBCM)  
60 - 10551 Shellbridge Way  
Richmond BC V6X 2W9

Dear Arjun Singh:

In 2018, the Province coordinated a consultation process with the UBCM regarding modernizing the traffic ticket system, including its potential impact on the Traffic Fine Revenue Sharing (TFRS) program.

The proposed modernization of the traffic ticket system includes:

- Expanding the **Red-Light** Intersection Safety Cameras (ISC-RL) to operate 24 hours a day;
- Implementing the **Speed Activated** Intersection Safety Cameras (ISC-SA);
- Implementing electronic ticketing (**e-ticketing**) including online payment capability;
- Potentially implementing an **Administrative Justice Tribunal Model** (AJM) to remove violation tickets from traffic courts.

The Province expects the above programs to generate significant net income through increased ticket revenue and decreased traffic court costs and agent commissions. The expansion of the ISC-RL program to 24-hour operations is already resulting in a significant increase in ticket violations.

However, these programs will also generate new capital and operating costs directly attributable to the collection of traffic fines. Currently, the suite of allowable costs deducted from Gross Traffic Fine Revenue to determine the TFRS Funding is limited to a few items like net traffic court costs and ICBC fees and commissions paid to external agencies for accepting fine payments.

In addition to these costs, the Province needs to recover costs associated with delivering the new or expanded programs identified above as well as ICBC violation ticket processing costs. Thus, the Province intends to recover these new costs from the increased ticket revenue generated from these programs. In addition to the current suite of costs, these new costs will be deducted from Gross Traffic Fine Revenue to determine TFRS Funding.

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These new costs will only be deducted as the new additional revenue occurs, as per our commitment that municipalities will not see a reduction in their TFRS revenue due to the new program costs. However, to reiterate, we do anticipate the increase in Gross Traffic Fine Revenue to be well-above the associated costs of the new programs, which should result in a net increase in future TFRS Funding. Also, the Province will be fully transparent in reporting on the new program costs.

During the 2018 consultation process, UBCM was also advised that although the Province would fund all initial implementation costs (systems, hardware, training), the ongoing costs related to eTicketing (i.e. hardware replacement, thermal paper costs) are expected to be paid for directly by police agencies/local governments outside of the TFRS.

The Province wants to assure UBCM and its member local governments that we will protect the original principles of the TFRS program. The program will continue to return 100 per cent of net provincial traffic revenue to local governments.

The Province also wants to assure UBCM and its member local governments that there will be no changes to the TFRS allocation formula (used to allocate net Traffic Fine Revenue amongst local governments). Also, the TFRS grants will remain unconditional (i.e. to be used broadly for community safety in accordance with section 8.1 of the Local Government Grants Regulation (BC Reg 221/95)).

Two other proposals that were discussed with UBCM representatives in July and August 2018 were the potential use of traffic fine revenue for a collision reduction program at intersections and the possibility of placing further restrictions on the use of traffic fine revenues. Following the consultation with UBCM, the Province is not proceeding with either of these proposals.

The Province greatly appreciates UBCM's constructive cooperation throughout the consultation process and its ongoing support in enhancing public safety and making BC roads safer for everyone. Should you have any questions or comments, my staff and I would be more than happy to talk with you.

Sincerely,



Mike Farnworth  
Minister of Public Safety  
and Solicitor General