5/15/97

Carter (CSHB 1437 by Alexander)

HB 1437

SUBJECT: Statewide emergency highway call box system

COMMITTEE: Transportation — committee substitute recommended

VOTE: 6 ayes — Alexander, Siebert, Edwards, Hawley, Pickett, Uher

0 nays

1 present, not voting — Hartnett

2 absent — Finnell, Hill

WITNESSES: For — Gerald D. Griffin and Sebastian E. Gutierrez, Commerce, Inc.; Bill

Lewis, Mothers Against Drunk Driving

Against — None

DIGEST: CSHB 1437 would establish an emergency call box system on state

highways funded by levies on motor vehicle insurance policies. The system would be designed to enable motorists to request emergency and non-emergency response services, including firefighting, law enforcement, or emergency medical services provided by public agencies or motorist assistance services, and would be coordinated by the Texas Department of

Transportation (TxDOT).

**System components.** The system would have to include wired or wireless telecommunications services and at least one motorist assistance answering center and be capable of performing compatible Intelligent Transportation Systems functions.

TxDOT could contract with a private entity to provide answering center services. The department would determine the locations for and distances between call boxes.

CSHB 1437 would establish an emergency telephone call box system advisory committee composed of the executive officers, or their representatives, of TxDOT, the Advisory Commission on State Emergency Communications, General Services Commission, Department of Health, and

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Department of Public Safety. This committee would advise and assist in the design, operation and maintenance of the system and the development of specifications for each contract awarded.

The Advisory Commission on State Emergency Communications would provide technical and management oversight to support proper routing of calls and coordinate the operation and maintenance of the system through local governments and 911 districts. Any standards established for system performance would have to be applicable throughout the state.

TxDOT would award contracts to implement the system no later than June 1, 1998, with installation beginning by September 1, 1998. The system would have to be implemented in all areas of Texas having cellular telephone coverage. TxDOT would have report annually to the speaker of the House, the lieutenant governor, and the Legislative Budget Board on the system's activities in the prior year. The report could include recommendations for further legislative action.

**Funding.** The system would be financed by a fee levied on motor vehicle insurance policies. No later than March 1 of each year, insurers would pay a \$1 fee for each motor vehicle year of insurance on policies delivered, issued for delivery, or renewed by the insurer during the previous calendar year. CSHB 1437 would specify that the fee would be in addition to any other fees or taxes imposed by law, and that the fee could not reflected as an additional line item on the insured's invoice. Failure to pay the fee could result in the revocation of the insurer's certificate of authority.

All fees would be deposited in a separate account in the state highway fund, and money or interest accrued in that account could be used only for the benefit of the emergency call system.

**Sunset provisions.** The Emergency Telephone Call Box System and the provisions of CSHB 1437 would be be subject to the Texas Sunset Act. Unless continued by the Legislature, the advisory committee would be abolished and the bill's provisions expire on September 1, 2007.

CSHB 1437 would take effect September 1, 1997.

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# SUPPORTERS SAY:

CSHB 1437 would provide a much needed system for helping motorists in need of help along the vast stretches of Texas highways. Test programs now running in four Texas counties have proven the system is an effective means of reporting accidents and other emergencies and summoning assistance.

The emergency telephone call box system would be especially valuable for nighttime driving and would assist DPS in more quickly locating stranded motorists. The pilot programs have clearly showed that motorists will use these phone call boxes and for emergency calls, not for purposes of mere convenience. Oversight mechanisms would ensure that the call boxes were placed in the most widely travelled locations and that the system would be properly maintained. The fee on insurers would prevent the cost from being placed upon the taxpayer, and would not drive up insurance prices. In fact, the emergency system may ultimately even lower insurance costs, since it would allow for quick summoning of emergency assistance.

#### OPPONENTS SAY:

This bill would create an unnecessary bureaucracy to provide a service that is not really needed. Access to telephones is already available at state roadside park and rest areas, as well as at gasoline stations, convenience stores, and restaurants located along the roadside. Fellow motorists and state DPS officers can also be relied upon to provide help for road emergencies. Imposition of an extra fee upon insurers would result in extra costs being passed on to the very same motorists the bill is supposed to help. There is simply no pressing public need for the service offered by this bill.

### OTHER OPPONENTS SAY:

The system is a good idea, but the funding mechanism is flawed. It makes more sense to add the \$1 fee to motor vehicle registrations or even driver licenses. Many drivers in Texas fail to comply with liability insurance requirements; these drivers would be exempted from paying the fee while enjoying the benefits of the system. Imposing the fee as a cost of getting a driver's license would ensure that every driver helped pay for the system.

NOTES: The committee substitute authorized TxDOT to choose locations for call

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boxes and changed the funding mechanism from motor vehicle registration fees to fees levied on insurance policies.