

BILL ANALYSIS

Senate Research Center
85R12842 JAM-D

S.B. 1437
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Transportation
4/24/2017
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Many Texans choose to drive on toll roads due to the increased mobility options they offer to get from place to place. However, using these toll roads can also potentially lead to creating a confusing maze of toll charges and billing practices. With more than a different dozen tolling entities in the state, the variances between these entities in tolling and billing practices can cause Texans to experience unexpected tolls and fees, misplaced mail, and unintentionally unpaid bills.

S.B. 1437 addresses many of the common frustrations and concerns related to toll road billing and payment practices. The bill requires all tolling entities to offer a pay-by-mail option, to check for active toll stickers and accounts prior to issuing a bill by mail, and to clearly distinguish between statements and bills that must be paid. The bill extends additional protections to customers of Texas Department of Transportation-controlled toll roads by authorizing automatic bank account drafting at a customer's request, using driver's license addresses for mailings, and clarifying that toll collection service agreements may include refunds and credits resulting from improper bills.

S.B. 1437 provides uniformity, predictability, and fairness to toll billing across the state.

As proposed, S.B. 1437 amends current law relating to payment for the use of a highway toll project.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 228.052, Transportation Code, by adding Subsection (d), to authorize the Texas Department of Transportation (TxDOT) to include in an agreement for toll collection services entered into under this section provisions requiring the person performing the services to provide certain refunds and certain credits.

SECTION 2. Amends Section 228.0545(d), Transportation Code, to require TxDOT to send certain notices to the registered owner's address as shown in the vehicle registration records of the Texas Department of Motor Vehicles (TxDMV) or the analogous department or agency of another state or country or as shown in the driver's license records of the Texas Department of Public Safety (DPS).

SECTION 3. Amends Section 228.055(b), Transportation Code, to require TxDOT to send a written notice of nonpayment to the registered owner of the vehicle at that owner's address as shown in the vehicle registration records of TxDMV or the analogous department or agency of another state or country, at that owner's address as shown in the driver's license records of DPS, or at an alternate address provided by the owner or derived through other reliable means.

SECTION 4. Amends Section 228.057, Transportation Code, by adding Subsection (i), to require TxDOT to provide electronic toll collection customers with an option to authorize automatic payment of tolls through the withdrawal of funds from the customer's bank account.

SECTION 5. Amends Subchapter B, Chapter 372, Transportation Code, by adding Sections 372.054, 372.055, and 372.056, as follows:

Sec. 372.054. TOLL COLLECTION BY MAIL. (a) Requires a toll project entity, as an alternative to requiring payment of a toll at the time a vehicle is driven or towed through a toll collection facility, to use automated toll collection methods to allow the registered owner of the vehicle to pay the toll at a later date as provided by this section.

(b) Provides that for purposes of this section and Sections 228.054 (Failure or Refusal to Pay Toll; Offense), 284.070 (Nonpayment of Toll; Offense), 366.178 (Failure or Refusal to Pay Toll), and 370.177 (Failure or Refusal to Pay Turnpike Project Toll; Offense; Administrative Penalty), the use of a transponder is considered payment of a toll at the time a vehicle is driven or towed through a toll collection facility if there are sufficient funds in the account associated with the transponder at the time the vehicle is driven or towed through the facility.

(c) Requires a toll project entity to send an invoice of unpaid tolls by first class mail to the registered owner of a vehicle that has incurred one or more unpaid tolls.

Sec. 372.055. DETERMINATION OF ELECTRONIC TOLL COLLECTION CUSTOMER ACCOUNT BEFORE PAYMENT SOLICITATION. (a) Prohibits a toll project entity from sending by first class mail an invoice or a notice of unpaid tolls to the registered owner of a vehicle soliciting payment of a toll or any related administrative fee unless the entity first determines whether there is an active electronic toll collection customer account that corresponds to a transponder issued for the vehicle.

(b) Requires a toll project entity, if the entity determines under Subsection (a) that there is a sufficiently funded electronic toll collection customer account that corresponds to a transponder issued for the vehicle, to satisfy the outstanding toll from the account at the standard electronic collection rate and prohibits collecting any administrative fees or late fees, and requires the entity send by first class mail to the electronic toll collection customer a notice informing the customer that the transponder issued for the customer's vehicle may not be working correctly.

Sec. 372.056. INFORMATION REQUIRED ON NOTICE OR INVOICE. Requires a notice or an invoice of unpaid tolls sent by a toll project entity under Section 372.054 or any other section to clearly state that the document is a bill and the recipient is expected to pay the amount indicated.

SECTION 6. Makes application of this Act prospective.

SECTION 7. Effective date: September 1, 2017.