

- SUBJECT:** Adding certain requirements for electronic toll payment using toll tags
- COMMITTEE:** Transportation — committee substitute recommended
- VOTE:** 8 ayes — Canales, Bernal, Hefner, Leman, Ortega, Raney, Thierry, E. Thompson
0 nays
5 absent — Landgraf, Y. Davis, Goldman, Krause, Martinez
- SENATE VOTE:** On final passage, March 27 — 31-0
- WITNESSES:** For — Arturo Ballesteros, North Texas Tollway Authority; Terri Hall, Texas TURF and Texans for Toll-Free Highways; (*Registered, but did not testify*: Don Dixon; Tom Glass)
Against — None
On — (*Registered, but did not testify*: Tracie Brown, Central Texas Regional Mobility Authority; Brian Ragland, Texas Department of Transportation)
- BACKGROUND:** Transportation Code sec. 228.057 governs the use of transponders for electronic toll collections on state highways. "Transponder" means a device, placed on or within an automobile, that is capable of transmitting information used to assess or collect tolls. A transponder is considered insufficiently funded when there are no remaining funds in the account in connection with the transponder. Electronic toll collection customer account information, including contact and payment information and trip data, is confidential and not subject to public disclosure.
- DIGEST:** CSSB 198 would require the Texas Department of Transportation to provide its electronic toll collection customers with an option to authorize automatic payment of tolls through withdrawal of funds from the customer's bank account.

The bill also would require a customer using a transponder for electronic toll payment for any toll project entity to:

- activate and mount the transponder in accordance with the procedures of the toll project entity;
- provide to the entity accurate license plate and contact information; and
- update such information as necessary.

A toll project entity could not send a toll invoice or notice of nonpayment to the registered owner of a vehicle unless the entity first determined whether there was an active electronic toll collection customer account corresponding to a transponder.

CSSB 198 would require a toll project entity to satisfy an unpaid toll from an active electronic toll collection customer account if the account corresponded to a transponder issued by the entity and was sufficiently funded, given that the customer complied with the above requirements.

Regardless of whether an active account was discovered, the entity could send an invoice or notice for payment if the account was insufficiently funded or if the customer's failure to comply with the requirements of this bill prevented satisfaction of the unpaid toll.

The bill would require a toll project entity to send a customer a notice upon discovery that the customer's transponder did not work correctly more than 10 times in a 30-day period and had to be replaced. The entity would not be required to send additional notice if the customer did not replace the transponder.

A notice or invoice of unpaid tolls would have to clearly state that the document was a bill and the recipient was expected to pay the amount. The invoice or notice could be provided by mail or email, if the person elected to receive electronic notice. An entity would not be required to send an invoice or notice if the entity did not have access to the contact information provided in a customer account.

Notwithstanding the confidentiality of electronic toll collection customer account information, a toll project entity could provide to another entity electronic toll collection customer account information for customer service, toll collection, enforcement, or reporting requirements. The provision of customer account information would have to ensure the confidentiality of all information.

A contract between entities for the collection of tolls would have to specify which entity was responsible for making determinations, sending notices, and taking other actions required by this bill and ensure that customers did not receive invoices from more than one entity for the same transaction.

The bill would take effect September 1, 2020, and apply only to the collection of a toll incurred on or after that date.

**SUPPORTERS
SAY:**

CSSB 198 would address common frustrations related to electronic toll road billing done through a transponder, also known as a toll tag. The bill would add certain requirements both for toll project entities and for customers to ensure that the billing process was more uniform, predictable, and fair across the state.

Under the bill, toll project entities could not penalize users for toll tag misreads, and users who had an active account and toll tag would not have to pay administrative late fees. Entities would have to determine if a user had an active electronic account before mailing an invoice or notice of unpaid tolls. If a tolling entity determined that a customer had 10 toll tag misreads in a month, the entity would have to send notice to the customer that the tag was malfunctioning, which would cut down on unintentional late fees. The bill also would ensure that customers did their part to avoid tolling issues. Toll users would have to comply with toll project policies when placing their toll tags and provide toll project entities with accurate contact information for billing purposes.

**OPPONENTS
SAY:**

No concerns identified.

