BILL ANALYSIS

Senate Research Center

C.S.S.B. 1467 By: Watson Transportation 4/8/2015 Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Current law allows the Texas Department of Transportation (TxDOT) to enter into agreements with private entities to operate customer service centers and collect tolls for toll projects that are part of the state highway system. Pursuant to this authorization, TxDOT currently contracts with a private vendor to collect tolls for highways throughout Texas using an electronic transponder known as a "TxTag."

TxTag customers can use their tag on toll roads throughout the state. However, there is only one TxTag customer service center where such customers can pay their bill or speak to a representative in person. This center is currently located in Austin. It would be more convenient for TxTag customers who prefer to make in-person payments if other vendors, such as grocery and convenience stores, would contract with TxDOT to assist with TxTag customer service and toll collection.

C.S.S.B. 1467 seeks to address this problem by encouraging other vendors to contract with TxDOT to provide customer and toll collection services to TxTag customers. Specifically, C.S.S.B. 1467 allows such vendors to assess a service charge. However, C.S.S.B. 1467 also specifies that the service charge must be set by the Texas Transportation Commission and may not exceed \$3 for a payment transaction. These provisions are designed to provide customers with greater toll payment options, while ensuring customers are still protected from excessive fees.

C.S.S.B. 1467 amends current law relating to authorizing the collection of a service charge on certain electronic toll collection customer account payments.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Transportation Commission in SECTION 1 (Section 228.052, Transportation Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 228.052, Transportation Code, as follows:

Sec. 228.052. OPERATION OF TOLL PROJECT OR SYSTEM. (a) Creates this subsection from existing text. Authorizes the Texas Department of Transportation (TxDOT) to enter into an agreement with one or more persons to provide, on terms approved by TxDOT, personnel, equipment, systems, facilities, and services necessary to operate a toll project or system, including the operation of toll plazas and lanes and customer service centers and the collection of tolls.

(b) Authorizes a person that enters into an agreement with TxDOT to provide services for a customer to pay an amount on an electronic toll collection customer account at a location other than a TxDOT office to collect from the customer a service charge in addition to the amount paid on the account.

(c) Requires the Texas Transportation Commission by rule to set the maximum amount a person may collect as a service charge under Subsection (b), which may not exceed \$3 for a payment transaction.

SECTION 2. Effective date: September 1, 2015.