

## **BILL ANALYSIS**

Senate Research Center

S.B. 198  
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Transportation  
6/3/2019  
Enrolled

### **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 create a confusing maze of toll charges and billing practices. With more than a 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. 198 addresses many of the common frustrations and concerns related to toll road billing and payment practices by providing more uniformity, predictability, and fairness to toll billing across the state.

#### Key Provisions for All Tolling Entities

- Prior to mailing an invoice or a notice of unpaid tolls to a customer or charging any administrative fee, toll entities must first determine whether there is an active account connected to a vehicle transponder. If the account exists, the toll entities must pay the toll from the account.
- Ensures that if a toll customer has more than 10 transponder misreads in a month, tolling entities must inform the customer that there may be a problem with the transponder.
- Notices or invoices of unpaid tolls sent by tolling entities must clearly state that the document is a bill that must be paid.
- All tolling entities can provide invoices via email to customers who authorize this contact delivery method.

#### Key Provision for TxDOT-Controlled Toll Roads

- TxDOT toll customers may authorize automatic payment of tolls through a bank account. (Original Author's/Sponsor's Statement of Intent)

S.B. 198 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 228.057, Transportation Code, by adding Subsection (i) to require the Texas Department of Transportation 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 2. Amends Subchapter B, Chapter 372, Transportation Code, by adding Sections 372.054, 372.055, 372.056, 372.057, and 372.058, as follows:

Sec. 372.054. USE OF TRANSPONDER BY ELECTRONIC TOLL COLLECTION CUSTOMER. Requires an electronic toll collection customer using a transponder to:

- (1) activate and mount the transponder in accordance with the procedures provided by the toll project entity.
- (2) provide to the toll project entity accurate license plate and customer contact information; and
- (3) update as necessary the information provided under Subdivision (2).

Sec. 372.055. DETERMINATION OF ELECTRONIC TOLL COLLECTION CUSTOMER ACCOUNT BEFORE PAYMENT SOLICITATION. (a) Prohibits a toll project entity from sending 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, for a toll collection customer using a transponder, whether there is an active electronic toll collection customer account that corresponds to the transponder.

(b) Requires a toll project entity to satisfy an unpaid toll, at the standard electronic collection rate and without the imposition of administrative or late fees, from an active electronic toll collection customer account discovered under Subsection (a) if:

(1) the account:

(A) corresponds to a transponder issued by the entity; and

(B) is sufficiently funded; and

(2) the customer to whom the transponder was issued has complied with Section 372.054.

(c) Authorizes a toll project entity to send an invoice or notice for payment to collect an unpaid toll and related costs, regardless of whether an active electronic toll collection customer account is discovered under Subsection (a), if:

(1) the account is insufficiently funded; or

(2) the electronic toll collection customer's failure to comply with Section 372.054 prevents satisfaction of the unpaid toll from the electronic toll collection customer account.

(d) Requires a toll project entity, if in complying with Subsection (a) the entity discovers that a transponder issued by the entity did not work correctly more than 10 times in a 30-day period and must be replaced, to send to the customer to whom the transponder was issued a notice stating that the transponder is not working correctly and must be replaced.

(e) Provides that a toll project entity is not required to send additional notice to an electronic toll collection customer under Subsection (d) if the toll project entity has sent notice to the customer under that subsection and the customer does not replace the transponder.

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

Sec. 372.057. METHOD OF SENDING INVOICE OR NOTICE. (a) Authorizes an invoice or notice provided to a person by a toll project entity to be provided by first class

mail or e-mail if the person has provided an e-mail address to the entity and has elected to receive notice electronically.

(b) Provides that a toll project entity is not required to send an invoice or notice as required by Subsection (a) if the entity does not have access to the contact information provided in the electronic toll collection customer account.

Sec. 372.058. INFORMATION SHARING AND CONTRACTS BETWEEN TOLL PROJECT ENTITIES. (a) Authorizes a toll project entity with an electronic toll collection customer, notwithstanding the confidentiality of electronic toll collection customer account information, including confidentiality under Sections 228.057(e) (relating to providing that electronic toll collection customer account information, including contact and payment information and trip data, is confidential and not subject to disclosure under Chapter 552 (Public Information), Government Code), 366.179(d) (relating to providing that transponder account information, including contact and payment information and trip data, is confidential and not subject to disclosure under Chapter 552, Government Code), 370.177(m) (relating to providing that information collected for the purpose of this section (Failure or Refusal to Pay Turnpike Project Toll; Offense; Administrative Penalty), including contact, payment, and other account information and trip data, is confidential and not subject to disclosure under Chapter 552, Government Code), 370.178(d) (relating to providing that transponder account information, including contract and payment information and trip data, is confidential and not subject to disclosure under Chapter 552, Government Code), and 372.051(a) (relating to prohibiting a toll project entity from using motor vehicle registration or other information derived from a license plate on a vehicle using a toll project, including information obtained by the use of automated enforcement technology described by Section 228.058 (Automated Enforcement Technology) for certain purposes), to provide to another toll project entity electronic toll collection customer account information for the purposes of customer service, toll collection, enforcement, or reporting requirements.

(b) Requires the provision of electronic toll collection customer account information under Subsection (a) to ensure the confidentiality of all account information.

(c) Requires a contract between toll project entities for the collection of tolls to:

(1) specify which entity is responsible for making the determinations, sending notices, and taking other actions, as applicable, under Section 372.055; and

(2) include terms to ensure that customers do not receive invoices from than one entity for the same transaction.

SECTION 3. Makes application of the Act prospective.

SECTION 4. Effective date: September 1, 2020.