

## **BILL ANALYSIS**

Senate Research Center

S.B. 1723  
By: Ogden  
Transportation & Homeland Security  
7/26/2007  
Enrolled

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The Driver Responsibility Program established a system whereby points are assigned to moving violations classified as Class C misdemeanors and surcharges are applied to a license based on the type of offense and the time period in which the offense occurred. Since the inception of the program in September 2004, the Department of Public Safety (DPS) has sent notices billing \$478.7 million in potential surcharges, but has only collected \$132.8 million.

S.B. 1723 provides DPS with tools to increase collections and payment options for those persons assessed surcharges. The bill authorizes DPS to negotiate additional collection contracts including more extensive collection techniques, makes payments of certain surcharges more feasible for low-income drivers through the use of installment plans and periodic amnesty programs, provides for additional consequences for the nonpayment of certain surcharges, and provides incentives for bad drivers to change their behavior through a reduction in surcharges or the number of years a surcharge is collected.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Department of Public Safety (DPS) in SECTION 3 (Section 708.157, Transportation Code) of this bill.

Rulemaking authority previously granted to DPS is modified in SECTION 1 (Section 708.153, Transportation Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 708.153(b), Transportation Code, to authorize a rule under this section (Installment Payment of Surcharge) to provide that if a person fails to make a required installment payment, the Department of Public Safety (DPS) is authorized to establish a new installment plan on different terms or, as previously provided, to declare the amount of unpaid surcharge immediately due and payable.

SECTION 2. Amends Section 708.155, Transportation Code, as follows:

Sec. 708.155. **CONTRACTS FOR COLLECTION OF SURCHARGES.** (a) Creates this subsection from existing text.

(b) Authorizes DPS to amend a contract entered into under Subsection (a) and enter into additional contracts under Subsection (a) in order to provide for alternative or additional collection methods for surcharges receivable.

(c) Prohibits the total amount of compensation under a contract entered into under this section from exceeding 30 percent of the amount of collected surcharges and related costs.

SECTION 3. Amends Subchapter D, Chapter 708, Transportation Code, by adding Section 708.157, as follows:

Sec. 708.157. **AMNESTY AND INCENTIVES.** (a) Authorizes DPS by rule to establish a periodic amnesty program for a driver's license holder whose license has been assessed a surcharge for certain offenses, as determined by DPS.

(b) Authorizes DPS by rule to offer a driver's license holder whose license has been assessed a surcharge an incentive for compliance with the law and rehabilitation efforts, including a surcharge reduction or a decrease in the length of an installment plan.

(c) Authorizes DPS by rule to establish an indigency program for holders of a driver's license on which a surcharge has been assessed for certain offenses, as determined by DPS.

SECTION 4. Provides that the changes made by this Act to Section 708.155, Transportation Code, do not affect the entitlement to bid on additional contracts of private attorneys or public or private vendors with whom DPS contracts with under that section immediately before September 1, 2007.

SECTION 5. Effective date: September 1, 2007.