

1-1 By: Seliger S.B. No. 876
1-2 (In the Senate - Filed February 26, 2007; March 7, 2007,
1-3 read first time and referred to Committee on Transportation and
1-4 Homeland Security; April 20, 2007, reported adversely, with
1-5 favorable Committee Substitute by the following vote: Yeas 9,
1-6 Nays 0; April 20, 2007, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 876 By: Carona

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to authorizing the Department of Public Safety of the
1-11 State of Texas to establish a driver record monitoring pilot
1-12 program and enter into contracts for the periodic reporting of
1-13 certain information in the department's driver's license files;
1-14 providing penalties.

1-15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-16 SECTION 1. Subchapter C, Chapter 521, Transportation Code,
1-17 is amended by adding Section 521.060 to read as follows:

1-18 Sec. 521.060. DRIVER RECORD MONITORING PILOT PROGRAM.

1-19 (a) The department by rule may establish a driver record
1-20 monitoring pilot program. The term of the pilot program may not
1-21 exceed one year.

1-22 (b) Under the pilot program, the department may enter into a
1-23 contract with a person to provide driver record monitoring
1-24 services, as described by Subsection (c), and certain information
1-25 from the department's driver's license records to the person, if the
1-26 person:

1-27 (1) is an employer, an insurer, an insurance support
1-28 organization, an employer support organization, or an entity that
1-29 self-insures its motor vehicles; and

1-30 (2) is eligible to receive the information under
1-31 Chapter 730.

1-32 (c) A contract entered into by the department must require:

1-33 (1) the department, during the term of the contract,
1-34 to:

1-35 (A) monitor the driver record of each holder of a
1-36 driver's license issued by the department that is requested by the
1-37 person with whom the department has contracted;

1-38 (B) identify any change in the status of a
1-39 driver's license or any conviction for a traffic offense reported
1-40 to the department during the monitoring period; and

1-41 (C) periodically, as specified in the contract,
1-42 provide reports of those individuals identified as having a change
1-43 in status or convictions to the person with whom the department has
1-44 contracted; and

1-45 (2) the person with whom the department has
1-46 contracted:

1-47 (A) to purchase under Section 521.046 a copy of
1-48 the driver record of each individual identified in a report
1-49 provided under Subdivision (1)(C);

1-50 (B) to warrant that:

1-51 (i) the person will not directly or
1-52 indirectly disclose information received from the department under
1-53 the contract to a third party without the express written consent of
1-54 the department, except as required by law or legal process; and

1-55 (ii) if a disclosure is required by law or
1-56 legal process, the person will immediately notify the department so
1-57 that the department may seek to oppose, limit, or restrict the
1-58 required disclosure; and

1-59 (C) if the person is an insurance support
1-60 organization, to warrant that the person will not seek to obtain
1-61 information about a holder of a driver's license under the contract
1-62 unless the license holder is insured by a client of the
1-63 organization, and that the person will provide the department with

2-1 the name of each client to whom the insurance support organization
 2-2 provides information received from the department under the
 2-3 contract.

2-4 (d) The attorney general may file a suit against a person
 2-5 with whom the department has contracted under this section for:

2-6 (1) injunctive relief to prevent or restrain the
 2-7 person from violating a term of the contract or from directly or
 2-8 indirectly disclosing information received from the department
 2-9 under the contract in a manner that violates the terms of the
 2-10 contract; or

2-11 (2) a civil penalty in an amount not to exceed \$2,000
 2-12 for each disclosure in violation of those terms.

2-13 (e) If the attorney general brings an action against a
 2-14 person under Subsection (d) and an injunction is granted against
 2-15 the person or the person is found liable for a civil penalty, the
 2-16 attorney general may recover reasonable expenses, court costs,
 2-17 investigative costs, and attorney's fees. Each day a violation
 2-18 continues or occurs is a separate violation for purposes of
 2-19 imposing a penalty under Subsection (d).

2-20 (f) A violation of the terms of a contract entered into with
 2-21 the department by the person with whom the department has
 2-22 contracted is a false, misleading, or deceptive act or practice
 2-23 under Subchapter E, Chapter 17, Business & Commerce Code.

2-24 (g) A civil action brought under this section shall be filed
 2-25 in a district court:

2-26 (1) in Travis County; or

2-27 (2) in any county in which the violation occurred.

2-28 (h) A person with whom the department has contracted under
 2-29 this section commits an offense if the person directly or
 2-30 indirectly discloses information received from the department
 2-31 under the contract in a manner that violates the terms of the
 2-32 contract. An offense under this subsection is a Class B
 2-33 misdemeanor. If conduct constituting an offense under this
 2-34 subsection also constitutes an offense under another law, the actor
 2-35 may be prosecuted under this section, the other law, or both.

2-36 (i) The department shall impose a fee on each person with
 2-37 whom the department contracts under this section for the services
 2-38 provided by the department under the contract. The fee must be
 2-39 reasonable and be not less than the amount necessary to allow the
 2-40 department to recover all reasonable costs to the department
 2-41 associated with entering into the contract and providing services
 2-42 to the person under the contract, including direct, indirect, and
 2-43 administrative costs and costs related to the development and
 2-44 deployment of the pilot program.

2-45 (j) The department may establish a reasonable deadline by
 2-46 which a person must apply to enter into a contract with the
 2-47 department under this section and may not enter into a contract with
 2-48 a person who fails to apply before that deadline.

2-49 (k) To the fullest extent practicable, the services of the
 2-50 department under a contract entered into under this section shall
 2-51 be provided by, through, or in conjunction with the interactive
 2-52 system established under Section 521.055.

2-53 (l) At the conclusion of the term of the pilot program, and
 2-54 on the recommendation of the department, the commission may
 2-55 authorize the department to implement the pilot program as a
 2-56 permanent program.

2-57 (m) Before the department recommends the pilot program be
 2-58 implemented as a permanent program, the department shall submit to
 2-59 the lieutenant governor, the speaker of the house of
 2-60 representatives, and each member of the legislature a report that
 2-61 contains an analysis of the scope, effectiveness, and cost benefits
 2-62 of the pilot program. The report must include:

2-63 (1) a list of each insurance support organization with
 2-64 whom the department has contracted under this section; and

2-65 (2) a list of each client to whom the insurance support
 2-66 organization has provided information received from the department
 2-67 under this section.

2-68 SECTION 2. This Act takes effect immediately if it receives
 2-69 a vote of two-thirds of all the members elected to each house, as

3-1 provided by Section 39, Article III, Texas Constitution. If this
3-2 Act does not receive the vote necessary for immediate effect, this
3-3 Act takes effect September 1, 2007.

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