

## **BILL ANALYSIS**

Senate Research Center  
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C.S.H.B. 2983  
By: Phillips (Hegar)  
Transportation & Homeland Security  
5/6/2009  
Committee Report (Substituted)

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

This bill seeks to compel the Texas Department of Transportation (TxDOT) to accept, from rental car companies, toll violators' information electronically. TxDOT's current practice is to require paper documentation, a practice that is wasteful for both the sending and the receiving entities.

C.S.H.B. 2983 amends current law relating to the electronic transmission of motor vehicle rental information in connection with the payment of tolls.

### **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 228.055, Transportation Code, by amending Subsection (d) and adding Subsection (d-1), as follows:

(d) Provides that it is an exception to the application of Subsection (a) (relating to nonpayment of the proper toll) or (c) (relating to the registered owner of the vehicle for which a toll is not paid committing an offense) if the registered owner of the vehicle is a lessor of the vehicle and, not later than the 30th day after the date the notice of nonpayment is mailed, provides to the Texas Department of Transportation (TxDOT) a copy of the rental, lease, or other contract document covering the vehicle on the date of the nonpayment under Section 228.054 (Failure or Refusal to Pay Toll; Offense), with the name and address of the lessee clearly legible or electronic data, in a format agreed on by TxDOT and the lessor, other than a photocopy or scan of a rental or lease contract, that contains the information required under Sections 521.460(c)(1) (relating to requiring each person who rents a motor vehicle to another to maintain a record of the license plate number), (2) (relating to requiring each person who rents a motor vehicle to another to maintain a record of the name and address of the person renting), and (3) (relating to requiring each person who rents a motor vehicle to another to maintain a record of the license plate number of the person whom the vehicle was rented) covering the vehicle on the date of the nonpayment under Section 228.054.

(d-1) Authorizes TxDOT, if the lessor provides the required information within the period prescribed under Subsection (d), to send a notice of nonpayment to the lessee at the address provided under Subsection (d), rather than shown on the contract document, by first class mail before the 30th day after the date of receipt of the required information from the lessor.

SECTION 2. Amends Sections 228.056(b) and (c), Transportation Code, as follows:

(b) Provides that in the prosecution of an offense under Section 228.055(c), (d-1), rather than (d), or (e) a copy of the rental, lease, or other contract document, or the electronic data provided to TxDOT under Section 228.055(d), covering the vehicle on the date of the underlying event of nonpayment under Section 228.054 is prima facie evidence of its contents and that the defendant was the lessee of the vehicle when the underlying event of nonpayment under Section 228.054 occurred.

(c) Provides that it is a defense to prosecution under Section 228.055(c), (d-1), rather than (d), or (e) that the motor vehicle in question was stolen before the failure to pay the proper toll occurred and had not been recovered before the failure to pay occurred, but only if the theft was reported to the appropriate law enforcement authority before the earlier of the occurrence of the failure to pay or eight hours after the discovery of the theft.

SECTION 3. Amends Section 284.0701, Transportation Code, by amending Subsection (d) and adding Subsection (d-1), as follows:

(d) Provides that it is an exception to the application of Subsection (a) or (c) if the registered owner of the vehicle is a lessor of the vehicle and not later than the 30th day after the date the notice of nonpayment is mailed provides to the regional tollway authority (authority) a copy of the rental, lease, or other contract document covering the vehicle on the date of the nonpayment under Section 284.070 (Nonpayment of Toll; Offense), with the name and address of the lessee clearly legible; or electronic data, other than a photocopy or scan of a rental or lease contract, that contains the information required under Sections 521.460(c)(1), (2), and (3) covering the vehicle on the date of the nonpayment under Section 284.070.

(d-1) Authorizes the authority, if the lessor provides the required information within the period prescribed under Subsection (d), to send a notice of nonpayment to the lessee at the address provided under Subsection (d), rather than shown on the contract document, by first class mail before the 30th day after the date of receipt of the required information from the lessor.

SECTION 4. Amends Sections 284.0702(b) and (c), Transportation Code, as follows:

(b) Provides that in the prosecution of an offense under Section 284.0701(c), (d-1), rather than (d), or (e) a computer record of the department of the registered owner of the vehicle is prima facie evidence of its contents and that the defendant was the registered owner of the vehicle when the underlying event of nonpayment under Section 284.070 occurred and a copy of the rental, lease, or other contract document, or the electronic data provided to the authority under Section 284.0701(d), covering the vehicle on the date of the underlying event of nonpayment under Section 284.070 is prima facie evidence of its contents and that the defendant was the lessee of the vehicle when the underlying event of nonpayment under Section 284.070 occurred.

(c) Makes a conforming change.

SECTION 5. Amends Section 366.178, Transportation Code, by amending Subsections (f) and (i), and adding Subsection (i-1), as follows:

(f) Authorizes that the proof be by testimony of a peace officer or authority employee, video surveillance, or any other reasonable evidence, including a copy of the rental, lease, or other contract document or the electronic data provided to the authority under Subsection (i) that shows the defendant was the lessee of the vehicle when the underlying event of nonpayment occurred.

(i) Provides that a registered owner who is the lessor of a vehicle for which a notice of nonpayment has been issued is not liable if, not later than the 30th day after the date the notice of nonpayment is mailed, the registered owner provides to the authority a copy of the rental, lease, or other contract document, rather than lease agreement, covering the vehicle on the date of the nonpayment, with the name and address of the lessee, clearly legible, or electronic data, other than a photocopy or scan of a rental or lease contract, that contains the information required under Sections 521.460(c)(1), (2), and (3) covering the vehicle on the date of the nonpayment under this section.

(i-1) Creates this subsection from existing text. Provides that if the lessor timely provides the required information under Subsection (i), the lessee of the vehicle on the date of the violation is considered to be the owner of the vehicle for purposes of this section.

SECTION 6. Amends Section 370.177, Transportation Code, by amending Subsections (e), (g), and (i), and adding Subsection (e-1), to read as follows:

(e) Provides that it is an exception to the application of Subsection (b) or (d) that the registered owner of the vehicle is a lessor of the vehicle and not later than the 30th day after the date the notice of nonpayment is mailed provides to the authority a copy of the rental, lease, or other contract document covering the vehicle on the date of the nonpayment under Subsection (a), with the name and address of the lessee clearly legible, or electronic data, other than a photocopy or scan of a rental or lease contract, that contains the information required under Sections 521.460(c)(1), (2), and (3) covering the vehicle on the date of the nonpayment under Subsection (a).

(e-1) Creates this subsection from existing text. Authorizes the authority, if the lessor provides the required information within the period prescribed under Subsection (e), to send a notice of nonpayment to the lessee at the address provided under Subsection (e), rather than the address shown on the contract document, by first class mail before the 30th day after the date of receipt of the required information from the lessor.

(g) Provides that an offense under Subsection (d), (e-1), rather than (e), or (f) is a misdemeanor punishable by a fine not to exceed \$250.

(i) Authorizes that the proof be by testimony of a peace officer or authority employee, video surveillance, or any other reasonable evidence, including evidence obtained by automated enforcement technology that the authority determines is necessary, including automated enforcement technology described by Sections 228.058(a) (relating to authorization of TxDOT to use certain automated enforcement technology) and (b) (relating to the automated enforcement technology being used only for certain reasons); or a copy of the rental, lease, or other contract document or the electronic data provided to the authority under Subsection (e) that shows the defendant was the lessee of the vehicle when the underlying event of nonpayment occurred.

SECTION 7. Effective date: September 1, 2009.