1	HOUSE OF REPRESENTATIVES - FLOOR VERSION
2	STATE OF OKLAHOMA
3	2nd Session of the 55th Legislature (2016)
4	ENGROSSED SENATE BILL NO. 1056 By: Fry of the Senate
5	
6	and
7	Banz of the House
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9	An Act relating to the Oklahoma Electronic Toll Collection Act; amending 47 O.S. 2011, Section 11- 1401.2, as last amended by Section 1, Chapter 129, O.S.L. 2015 (47 O.S. Supp. 2015, Section 11-1401.2), which relates to toll collection records; authorizing certain allowances; and providing an effective date.
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12	certain allowances, and providing an effective date.
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14	BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:
15	SECTION 1. AMENDATORY 47 O.S. 2011, Section 11-1401.2,
16	as last amended by Section 1, Chapter 129, O.S.L. 2015 (47 O.S.
17	Supp. 2015, Section 11-1401.2), is amended to read as follows:
18	Section 11-1401.2. A. For purposes of this section:
19	1. "Authority" means the Oklahoma Turnpike Authority;
20	2. "Commission" means the Oklahoma Tax Commission;
21	3. "Electronic toll collection system" means a system of
22	collecting tolls or charges which is capable of charging an account
23	holder the appropriate toll or charge by transmission of information
24	from an electronic device on a motor vehicle to the toll lane, which

1 information is used to charge the account the appropriate toll or 2 charge;

4. "Owner" means any person, corporation, partnership, firm,
agency, association, or organization who, at the time of the
violation and with respect to the vehicle identified in the notice
of toll evasion violation:

- a. is the beneficial or equitable owner of the vehicle,
  b. has title to the vehicle,
- 9 c. is the registrant or coregistrant of the vehicle which 10 is registered with the Oklahoma Tax Commission or 11 similar registering agency of any other state, 12 territory, district, province, nation or other 13 jurisdiction,
- 14 d. subject to the liability limitations set forth in
  15 paragraph 12 of subsection B of this section, uses the
  16 vehicle in its vehicle renting and/or leasing
  17 businesses, or
- e. is a person entitled to the use and possession of a
  vehicle subject to a security interest in another
  person;

5. "Photo-monitoring system" means a vehicle sensor installed
to work in conjunction with a toll collection facility which
automatically produces one or more photographs, one or more
microphotographs, a videotape or other recorded images of each

vehicle at the time it is used or operated on the turnpikes under the Authority's jurisdiction;

3 6. "Toll collection regulations" means those rules and regulations of the Oklahoma Turnpike Authority or statutes providing 4 5 for and requiring the payment of tolls and/or charges prescribed by the Authority for the use of turnpikes under its jurisdiction or 6 7 those rules and regulations of the Authority or statutes making it unlawful to refuse to pay or to evade or to attempt to evade the 8 9 payment of all or part of any toll and/or charge for the use of 10 turnpikes under the jurisdiction of the Authority;

11 7. "Toll evasion violation" means a failure to comply with the 12 Authority's toll collection regulations, including the failure to 13 pay an invoice submitted by the Authority via its video toll 14 collection system;

8. "Vehicle" means every device in, upon or by which a person
or property is or may be transported or drawn upon a highway, except
devices used exclusively upon stationary rails or tracks; and

9. "Video toll collection system" means a photo-monitoring
 system used to charge and collect tolls from owners of vehicles
 imaged using the turnpike system. The owner of a vehicle imaged by
 the photo-monitoring system may or may not be an Authority account
 holder.

B. 1. Notwithstanding any other provision of law, there shallbe imposed monetary liability on the owner of a vehicle for failure

of an operator thereof to comply with the toll collection
 regulations of the Oklahoma Turnpike Authority in accordance with
 the provisions of this section.

2. The owner of a vehicle shall be liable for a civil penalty 4 5 imposed pursuant to this section if the vehicle was used or operated with the permission of the owner, express or implied, in violation 6 of the toll collection regulations, and such violation is evidence 7 by information obtained from a photo-monitoring system. However, no 8 9 owner of a vehicle shall be liable for a penalty imposed pursuant to 10 this section where the operator of the vehicle has been convicted of a violation of toll collection regulations for the same incident. 11

12 3. A certificate, sworn to or affirmed by an agent of the Authority, or facsimile thereof, based upon inspection of 13 photographs, microphotographs, videotape or other recorded images 14 15 produced by a photo-monitoring system shall be prima facie evidence of the facts contained therein and shall be admissible in any 16 proceeding charging a violation of toll collection regulations. 17 The photographs, microphotographs, videotape or other recorded images 18 evidencing such a violation shall be available for inspection and 19 admission into evidence in any proceeding to adjudicate the 20 liability for the violation. Each photo-monitoring system shall be 21 checked bimonthly for accuracy, and shall be maintained, adjusted or 22 replaced if necessary to ensure the systems are operating properly. 23

4. An owner found liable for a violation of toll collection
 regulations pursuant to this section shall be liable for a monetary
 penalty of Twenty-five Dollars (\$25.00) for each violation.
 Liability for this monetary penalty does not abrogate an owner's
 obligation to pay toll charges associated with the violation, and
 the Authority may pursue collection of such unpaid toll charges
 pursuant to this section.

5. An imposition of liability pursuant to this section shall be based upon a preponderance of evidence as submitted. An imposition of liability pursuant to this section shall not be deemed a conviction as an operator and shall not be made part of the motor vehicle operating record of the person upon whom such liability is imposed nor shall it be used for insurance purposes in the provision of motor vehicle insurance coverage.

A notice of toll evasion violation shall be sent by 15 6. a. regular first-class mail to each person alleged to be 16 liable as an owner for a violation of toll collection 17 The notice shall be mailed no later than 18 regulations. forty-five (45) days after the alleged violation. 19 А manual or automatic record of mailing prepared in the 20 ordinary course of business shall be prima facie 21 evidence of the receipt of the notice. 22 A notice of toll evasion violation shall contain the b. 23

name and address of the person alleged to be liable as

an owner for a violation of toll collection regulations pursuant to this section, the registration or the license tag number of the vehicle involved in the violation, the location where the photo-monitoring system recorded the vehicle's image, the date and time of the image, the identification number of the photomonitoring system which recorded the image or other document locator number and the nature of the violation.

10 с. Notice of toll evasion violation shall be prepared and 11 mailed by the Authority or its agents and shall 12 contain information advising the person of the applicable monetary penalty and method of payment 13 thereof and the manner and the time in which the 14 15 person may contest the liability alleged in the notice. The notice of toll evasion violation shall 16 contain, or be accompanied with, an affidavit of 17 nonliability and information of what constitutes 18 nonliability, information as to the effect of 19 executing the affidavit and instructions for returning 20 the affidavit to the Authority and shall also contain 21 a warning to advise the persons charged that failure 22 to contest in the manner and time provided shall be 23 24 deemed an admission of liability and that the penalty

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shall be imposed and may be collected as authorized by law. In addition to the notice required by subparagraph a of this paragraph, the Authority may elect to send a subsequent notice of toll evasion violation by certified mail. Such notice shall contain a statement to the registered owner that, unless the registered owner pays the toll evasion penalty or contests the notice within twenty-one (21) days after receipt of the certified mail notice of toll evasion violation or completes and files the affidavit of nonliability, the renewal of the vehicle registration shall be contingent upon compliance with the notice of toll evasion violation.

- 14 d. If the toll evasion penalty is received by the
  15 Authority and there is no contest as to that toll
  16 evasion violation, the proceedings under this section
  17 shall terminate.
- If the registered owner fails to pay the toll evasion 18 e. penalty as required in this section, or fails to 19 contest the notice of toll evasion violation issued 20 pursuant to subparagraph c of this paragraph as 21 provided in subparagraph a of paragraph 7 of this 22 subsection, the registered owner shall be deemed 23 liable for the violation by operation of law. 24 The

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toll evasion penalty and any administrative fees or charges shall be considered a debt due and owing the Authority by the registered owner and the Authority may proceed to collect such penalty, fees or charges under paragraph 9 of this subsection.

- 7. a. Within twenty-one (21) days after receipt of a notice
  of toll evasion violation a person may contest a
  notice of toll evasion violation. In that case, the
  Authority shall do the following:
- 10 (1)the Authority shall investigate the circumstances of the notice with respect to the contestant's 11 12 written explanation of reasons for contesting the 13 toll evasion violation. If, based upon the results of the investigation, the Authority is 14 satisfied that the violation did not occur or 15 16 that the registered owner was not responsible for the violation, the Authority shall maintain an 17 adequate record of the findings of the 18 investigation. Within thirty (30) days of 19 receipt of a notice of contest the Authority 20 shall complete such investigation and mail the 21 results of the investigation to the person who 22 contested the notice of toll evasion violation, 23 24 and

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1 (2)if the person contesting a notice of toll evasion violation is not satisfied with the results of 2 3 the investigation provided for in division (1) of this subparagraph, the person may, within fifteen 4 5 (15) days of the mailing of the results of the investigation, deposit the amount of the toll 6 7 evasion penalty and request an administrative review. An administrative review shall be held 8 9 within ninety (90) calendar days following the 10 receipt of a request for an administrative review, excluding any continuance time. 11 The 12 person requesting the review may request and 13 shall be allowed one continuance, not to exceed twenty-one (21) calendar days. 14 The administrative review procedure shall consist of 15 b. the following: 16 the person requesting an administrative review 17 (1)shall indicate to the Authority his or her 18 election for a review by mail or personal 19 20 conference and may provide materials in support of the contest of the results of the 21 investigation, 22 upon ten (10) days' written notice mailed to the 23 (2) contestant, the administrative review shall be 24

conducted before an examiner designated to conduct review by the Authority's governing body or Director of the Oklahoma Turnpike Authority. In addition to any other requirements of employment, an examiner shall demonstrate those qualifications, training, and objectivity prescribed by the Authority's governing body or Director as are necessary and which are consistent with the duties and responsibilities set forth in this section and Section 11-1401.1 et seq. of this title,

12 (3) the officer or person authorized to issue a 13 notice of toll evasion violation shall be required to participate in an administrative 14 15 review. The Authority shall not be required to produce any evidence other than the notice of 16 17 toll evasion violation or copy thereof, a photograph of the rear of the vehicle, 18 information received from the Commission 19 20 identifying the registered owner of the vehicle, and a notarized statement from the person 21 reporting the violations. The documentation in 22 proper form shall be considered prima facie 23 evidence of the violation, and 24

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1 (4) the review shall be conducted in accordance with 2 paragraph 5 of this subsection and in accordance 3 with the written procedure established by the Authority which shall ensure fair and impartial 4 5 review of contested toll evasion violations. The examiner's final decision shall be in writing and 6 7 shall be delivered personally or by registered mail to the contestant within ten (10) days of 8 9 the review. A manual or automatic record of 10 mailing prepared in the ordinary course of business shall be prima facie evidence of the 11 12 receipt of such decision. 8. a.

13 Within twenty (20) days after receipt of the final decision described in division (4) of subparagraph b 14 15 of paragraph 7 of this subsection, the contestant may seek review by filing an appeal to the district court 16 having jurisdiction in the county in which the 17 contestant lives, where the same shall be heard on the 18 record. A copy of the notice of appeal shall be 19 served in person or by first-class mail upon the 20 Authority by the contestants. For purposes of 21 computing the twenty-day period, the Code of Civil 22 Procedure, Section 2006 of Title 12 of the Oklahoma 23 Statutes, shall be applicable. 24

- b. The conduct of the hearing on appeal under this section is a subordinate judicial duty which may be performed by referees, masters or other subordinate judicial officials at the direction of the district court.
- c. If no notice of appeal of the Authority's decision is
  filed within the period set forth in subparagraph a of
  this paragraph, the examiner's decision shall be
  deemed final.

9. Except as otherwise provided in paragraphs 10 and 11 of this
 subsection, the Authority shall proceed under one or more of the
 following options to collect an unpaid toll evasion penalty:

- a. the Authority may file an itemization of unpaid toll
  evasion penalties and administrative and service fees
  with the Commission for collection at the time of
  registration of the vehicle pursuant to paragraph 17
  18 of this subsection, or
- b. the Authority may contract with a collection agency to
  collect unpaid toll evasion penalties, fees, and
  charges.

21 10. The Authority shall not file a civil judgment with the 22 district court relating to a toll evasion violation which has been 23 filed with the Commission unless the Authority has determined that 24 the registration of the vehicle has not been renewed for sixty (60) days beyond the renewal date and the notice has not been mailed by
 the Commission pursuant to paragraph 17 18 of this subsection.

If an owner receives a notice of toll evasion violation 3 11. pursuant to this paragraph for any time period during which the 4 5 vehicle was reported to the police department as having been stolen, it shall be a valid defense to an allegation of liability for a 6 7 violation of toll collection regulations that the vehicle had been reported to the police as stolen prior to the time the violation 8 9 occurred and had not been recovered by such time. If an owner 10 receives a notice of toll evasion violation pursuant to this 11 paragraph for any time period during which the vehicle was stolen, 12 but not yet reported to the police as having been stolen, it shall be a valid defense to an allegation of liability for a violation of 13 toll collection regulations pursuant to this paragraph that the 14 15 vehicle was reported as stolen within two (2) hours after the 16 discovery of the theft by the owner. For purposes of asserting the defense provided by this subsection it shall be sufficient that a 17 certified copy of the police report of the stolen vehicle be sent by 18 first-class mail to the Authority and the district court having 19 jurisdiction. 20

21 12. An owner of a vehicle to which a notice of toll evasion 22 violation was issued pursuant to paragraph 6 of this subsection 23 shall not be liable for the violation of the toll collection 24 regulations provided that the owner sends to the Authority the

1 affidavit of nonliability described in paragraph 6 of this 2 subsection, within twenty-one (21) days after receiving the original notice of toll evasion violation. Failure to send such information 3 within the time period shall render the owner liable for the penalty 4 5 prescribed by this section. If the owner complies with the provisions of this subsection, the operator of the vehicle on the 6 date of the violation shall be subject to liability for the 7 violation of toll collection regulations, provided that the 8 9 Authority mails a notice of toll evasion violation to the operator 10 within ten (10) days after receipt of such information.

11 13. In connection with the preparation and mailing of a notice 12 of toll evasion violation, the Authority shall ensure adequate and timely notice to all video toll collection system and electronic 13 toll collection system account holders to inform them when their 14 15 accounts are delinquent. An owner who is an account holder under 16 the video toll collection system or electronic toll collection system shall not be found liable for a violation of this section 17 unless the Authority has first sent a notice of delinquency to the 18 account holder and the account holder was in fact delinquent at the 19 time of the violation. 20

21 14. Nothing in this section shall be construed to limit the 22 liability of an operator of a vehicle for any violation of toll 23 collection laws or regulations.

1 15. Notwithstanding any other provision of law, all 2 photographs, microphotographs, videotape or other recorded images 3 prepared pursuant to this section shall be for the exclusive use of 4 the Authority in the discharge of its duties under this section and 5 shall not be open to the public nor be used in any court in any 6 action or proceeding pending therein unless the action or proceeding 7 relates to:

- 8 <u>a.</u> the imposition of or indemnification for liability 9 pursuant to this section<u>, or</u>
- an investigation or prosecution for a criminal 10 b. violation of the laws of the State of Oklahoma. 11 Such 12 records shall be available to a law enforcement officer or law enforcement agency for law enforcement 13 purposes related to an investigation or prosecution of 14 15 a criminal violation of the laws of the State of 16 Oklahoma pursuant to a duly issued search warrant, subpoena, or order of the court requiring such 17 disclosure to a law enforcement officer or agency. 18

19 <u>16.</u> The Authority shall not sell, distribute or make available 20 in any way, the names and addresses of video toll collection system 21 and electronic toll collection system account holders or Authority 22 patrons, without the consent of the account holders or patrons, to 23 any entity that will use the information for any commercial purpose.

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1 Except as provided in subparagraph c of this 17. a. paragraph, the Commission shall refuse to renew the 2 3 registration of any vehicle if the registered owner or lessee has been mailed by certified mail a notice of 4 5 toll evasion violation as provided in subparagraph c of paragraph 6 of this subsection, the Authority has 6 transmitted to the Commission an itemization of unpaid 7 toll evasion penalties, including administrative fees, 8 9 pursuant to paragraph 9 of this subsection, and the 10 toll evasion penalty and administrative fee have not been paid pursuant to paragraph 8 of this subsection, 11 12 unless the full amount of all outstanding toll evasion penalties and administrative fees, as shown by records 13 of the Commission are paid to the Commission at the 14 15 time of application for renewal.

- b. The Authority shall issue a notice of disposition of
  toll evasion violation to a lessor, if the lessor
  provides the Authority with the name, address, and
  driver's license number of the lessee at the time of
  the occurrence of the toll evasion violation.
- c. The Commission shall renew the registration of any
   vehicle if the applicant provides the Commission with
   the notice of disposition of toll evasion violation
   issued pursuant to subparagraph b of this paragraph

1 for clearing all outstanding toll evasion penalties, fees and assessments, as shown by the records of the Commission, and the applicant has met all other requirements for registration.

5 <del>17.</del> 18. The Commission shall include on each vehicle 6 registration renewal notice issued for use at the time of renewal, 7 or on an accompanying document, an itemization of unpaid toll evasion penalties, fees and assessments, showing the amount thereof 8 9 and the date of toll evasion relating thereto, which the registered 10 owner or lessee is required to pay pursuant to paragraph 16 17 of 11 this subsection.

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Except as provided in subparagraph b of this 13 19. a. paragraph, the Commission shall remit all toll evasion 14 15 penalties, fees and assessments collected, after 16 deducting the administrative fee authorized by paragraph 19 20 of this subsection, for each notice of 17 toll evasion violation for which toll evasion 18 penalties, fees and assessments have been collected 19 pursuant to paragraph  $\frac{16}{17}$  17 of this subsection, to the 20 Authority. Within forty-five (45) days from the time 21 penalties, fees and assessments are paid to the 22 Commission, the Commission shall inform the Authority 23

which of its notices of toll evasion violation have been collected.

For each notice of toll evasion violation for which 3 b. toll evasion penalties, fees and assessments have been 4 5 collected by the Commission pursuant to paragraph 16 of this subsection, the Authority is due an amount 6 7 equal to the sum of the unpaid toll, administrative fees, other costs incurred by the Authority that are 8 9 related to toll evasion, process service fees, and fees and collection costs related to civil debt 10 collection. After deducting the Commission's 11 12 administrative fee authorized by paragraph 19 20 of this subsection, the Commission shall promptly pay to 13 the Authority the amounts due the Authority for unpaid 14 15 tolls, administrative fees, other costs incurred by 16 the Authority that are related to toll evasion, process service fees, and fees and collection costs 17 related to civil debt collection. 18

19 19. 20. The Commission shall assess a fee for the recording of 20 the notice of toll evasion violation, which is given to the 21 Commission pursuant to paragraph 9 of this subsection, in an amount, 22 as determined by the Commission, that is sufficient to provide a 23 total amount equal to at least its actual costs of administering 24 paragraphs 16, 17 and 20 17, 18 and 21 of this subsection.

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1 20. <u>21.</u> Whenever a vehicle is transferred or not renewed for 2 two renewal periods and the former registered owner or lessee of the 3 vehicle owes a toll evasion penalty and administrative fees for a 4 notice of toll evasion violation filed with the Commission pursuant 5 to paragraph 9 of this subsection, the Commission shall notify the 6 Authority of that fact and is not required thereafter to attempt 7 collection of the toll evasion penalty and administrative fees.

8 This legislation shall not be construed to affect in any way the 9 power which the Oklahoma Turnpike Authority possesses to establish 10 tolls and other charges in connection with their turnpike 11 facilities, including the authority to establish a one-way toll 12 collection system for any of its facilities or a toll discount 13 structure for certain classes of patrons using any of its 14 facilities.

15 SECTION 2. This act shall become effective November 1, 2016.
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17 COMMITTEE REPORT BY: COMMITTEE ON RULES, dated 03/23/2016 - DO PASS.
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