

SUBJECT: Exemptions to the Texas Railroad Act

COMMITTEE: Civil Practices — favorable, without amendment

VOTE: 8 ayes — Gray, Hilbert, Bosse, Dutton, Goodman, Nixon, Roman, Zbranek
0 nays
1 absent— Alvarado

WITNESSES: None

BACKGROUND : The Texas Railroad Act was enacted in 1897 to protect railroad workers by making the employer operating a railroad liable for work-related injuries.

DIGEST: HB 2247 would exempt from application of the Texas Railroad Act any operations that consisted solely of the fabrication, manufacture, repair and storage of rail rolling stock or that used rail cars solely as part of an internal manufacturing or production.

HB 2247 would take immediate effect if finally approved by a two-thirds record vote of the membership of each house, and would apply only to causes of action accruing on or after the effective date.

SUPPORTERS SAY: HB 2247 would clarify who and what constitutes a railroad for purposes of establishing liability under the Texas Railroad Act. In the 100 years since the act was drafted, conventional railroad operations have continued, but the use of railroad cars by other types of companies has grown to serve other industrial needs not directly related to the operation of a full railroad transportation system. Many companies are clearly not railroads but use railroad cars or similar equipment to perform routine tasks at their factories or industrial sites. However, the language of the law could cause confusion and result in the unintentional application of the railroad liability laws to these non-railroad companies.

For instance, many companies such as refineries, grain elevator storage units, and industrial manufacturers may use railroad cars to transport materials or supplies within their manufacturing plant, or to deliver finished

goods to a central railroad line adjacent to their property for final transport. Other companies build or modify such railroad cars for internal transportation or other in-house purposes, yet have no intention of operating a freight or passenger railroad system.

Yet, under the language of the Texas Railroad Act, the act of transferring raw materials from a loading dock to an industrial smelter within the boundaries of a factory fence line might be considered the same as operating a railroad. HB 2247 would prevent such misreading of the original intention of the law.

This bill would not alter or change any of the current protections or coverage now afforded railway workers. State and federal laws concerning employers' liability for on-the-job injuries to their workers would remain in place regardless of the changes proposed.

**OPPONENTS
SAY:**

No apparent opposition.

NOTES:

The companion bill, SB 753 by Harris, passed the Senate on April 17 on the Local and Uncontested Calendar and was reported favorably, without amendment, by the House Civil Practices Committee on April 29, making it eligible to be considered in lieu of HB 2247.