

SUBJECT: Regulation of motor carriers

COMMITTEE: Transportation — favorable, without amendment

VOTE: 7 ayes — Alexander, Edwards, Hamric, Hawley, Hill, Noriega, Uher

0 nays

2 absent — Siebert, Y. Davis

WITNESSES: None

DIGEST: HB 2400 would exempt the following vehicles from the requirement to register with the Texas Department of Transportation (TxDOT) as commercial motor vehicles:

- vehicles used to transport passengers by day-care centers, public and private schools, hotels, nursing homes, and other entities whose primary function is not the transportation of passengers;
- vehicles operating under private carrier permits for the transportation of alcohol; and
- vehicles operated by governmental entities.

The bill would prohibit foreign-based international motor carriers from transporting persons or cargo in intrastate commerce in the state. The bill would prohibit individuals from assisting such carriers to conduct intrastate commerce.

The bill would allow TxDOT to issue registrations that are valid for two years and temporary registrations that are valid for less than one year. The fee for two-year registrations would be \$20 per vehicle, and the fee for temporary registrations would be \$10 per vehicle, in addition to application and insurance filing fees which cannot exceed \$100 each.

The bill would allow TxDOT employees to enter the premises of a motor carrier to verify the accuracy of documents related to the transportation of household goods as regulated under Transportation Code, chapter 643,

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subchapter D. Motor carriers based outside the state would be required to designate a location within the state for any inspection of records by TxDOT employees, or to request that a TxDOT employee conduct the inspection at an office of the motor carrier located outside the state. Motor carriers would be required to pay for the expenses incurred by TxDOT to conduct an inspection outside the state.

**SUPPORTERS
SAY:**

HB 2400 is intended to incorporate several laws into the Transportation Code that already are in effect. The prohibition against foreign carriers conducting intrastate commerce is a part of federal law through the North American Free Trade Agreement. The exemptions for vehicles transporting passengers or alcohol already are listed in the Civil Statutes, as are the provisions for optional registration of commercial vehicles.

A bill from last session, SB 1486 by Bivins, was intended to exempt all government vehicles from the requirement to register as commercial motor vehicles but was not effective. This bill would clarify the language in statute clearly to exempt all government vehicles as originally intended.

TxDOT employees need the authority to examine documents for household goods carriers to ensure compliance with the economic regulation of such carriers. TxDOT also needs the authority to receive compensation for making document inspection trips out of state if requested to do so by a regulated carrier.

**OPPONENTS
SAY:**

NOTES: A companion bill, SB 775 by Bivins, passed the Senate on April 8 and was reported favorably, without amendment, by the House Transportation Committee on April 15, making it eligible to be considered in lieu of HB 2400.