SUBJECT: Transferring oversize and overweight permitting to TxDMV

COMMITTEE: Transportation — committee substitute recommended

VOTE: 11 ayes — Phillips, Darby, Bonnen, Y. Davis, Fletcher, Harper-Brown,

Lavender, Martinez, McClendon, Pickett, Rodriguez

0 nays

WITNESSES: For — John Esparza, Texas Motor Transportation Association

(Registered, but did not testify: Les Findeisen, Texas Motor

Transportation Association; Michael Stewart, Texas Aggregate Transport

Association)

Against — (Registered, but did not testify: Perry Fowler, AGC of Texas

Heavy Highway Chapter)

On — Carol Davis, Amadeo Saenz, Texas Department of Transportation;

Ed Serna, Texas Department of Motor Vehicles

BACKGROUND: The 81st Legislature in 2009 enacted HB 3097 by McClendon, which

created the Texas Department of Motor Vehicles (TxDMV) as a separate state agency and transferred to it certain functions previously performed by the Texas Department of Transportation. The bill charged TxDMV

with administering and enforcing laws governing:

- certificates of title and motor vehicle registration;
- motor carrier registration, including federal motor carrier registration;
- the sale and lease of motor vehicles;
- salvage vehicle dealers;
- markings on commercial motor vehicles;
- motor transportation brokers; and
- foreign commercial motor transportation.

TxDMV became operational on November 1, 2009.

HB 1363 House Research Organization page 2

DIGEST:

CSHB 1363 would transfer responsibilities for regulating oversize and overweight vehicles under Transportation Code, chs. 621, 622, and 623 to TxDMV from TxDOT no later than January 1, 2012. The agencies could adopt a memorandum of understanding to implement the transition. The bill would transfer all personnel and other functions associated with regulating oversize and overweight vehicles to TxDMV, which would determine routes for the vehicles based on information TxDOT provided. Any documents issued by TxDOT before the transfer would remain in effect.

Any unexpended balances remaining at TxDOT at the end of fiscal 2011 from oversize and overweight functions would be transferred to TxDMV.

The bill would take effect September 1, 2011.

SUPPORTERS SAY:

CSHB 1363 would improve efficiency by consolidating the permitting of oversize and overweight vehicles within TxDMV. That department, which was established in 2009 to oversee vehicle titling and registration and other functions related to the regulation of motor vehicles, has been structured as an effective customer service agency. The focus on customer service, as opposed to transportation system design, construction, and maintenance, has allowed TxDMV to increase efficiency in the regulation of motor vehicles. Moving oversize and overweight permitting functions to that agency would allow it to apply the same efficiencies to those functions that it has applied to others.

The 81st Legislature considered moving oversize and overweight permitting functions to TxDMV in 2009, but ultimately opted to keep them at TxDOT to review the new agency's ability to perform other tasks. TxDMV's solid performance over the last two years has shown that it would be very capable of processing oversize and overweight permits. Housing these functions along with other duties regulating commercial vehicles performed by TxDMV, would promote efficiencies in how the state permits and regulates commercial vehicles.

OPPONENTS SAY:

Moving permitting of oversize and overweight vehicles to TxDMV from TxDOT could reduce the efficiency of permit processing. Under the bill, TxDOT still would be responsible for determining routes for oversize and overweight vehicles, which is a necessary part of the permitting process. Moving these functions could be inefficient because it would require TxDMV to transfer a request for a highway route for specialized vehicles

HB 1363 House Research Organization page 3

to TxDOT and then await a response from that department in order to process the permit.

TxDOT has divisions that are keenly aware of the road conditions, road construction, and engineering specifications that are used in routing decisions. Adding a degree of separation between permitting and routing could potentially negate any processing efficiency that would be gained by transferring the functions to TxDMV.

NOTES:

The TxDOT Sunset bill, SB 1420 by Hinojosa, included similar provisions for transferring oversize and overweight permitting functions to TxDMV from TxDOT. The bill was approved by the House by 121- 24 on May 2 and currently is in conference committee.