

BILL ANALYSIS

Senate Research Center

S.B. 1351
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DIGEST

Currently, state and federal laws govern the state regulation of foreign commercial motor carriers within certain border commercial zones. However, Texas regulation of foreign commercial motor carriers is not harmonized with federal statutes. This lack of harmonization enables certain foreign commercial motor carriers engaged in the movement of international cargo within the state to operate in violation of federal statutes in a manner detrimental to Texas commercial motor carriers and public safety. S.B. 1351 would clarify and harmonize the regulation of trade within defined zones along the border, including the introduction of strict safety standards for foreign motor carriers.

PURPOSE

As proposed, S.B. 1351 outlines provisions and provides administrative penalties regarding the regulation of foreign involvement in commercial motor transportation.

RULEMAKING AUTHORITY

Rulemaking authority is granted to the Department of Public Safety, the Texas Department of Transportation, and the Texas Department of Insurance under SECTION 1 (Sections 730.002 and 730.031(b), Transportation Code), the Department of Public Safety under SECTION 1 (Sections 730.031(a), 730.033, 730.035, and 730.038, Transportation Code), and the Texas Department of Transportation under SECTION 1 (Section 730.037, Transportation Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Title 7J, Transportation Code, by adding Chapter 730, as follows:

CHAPTER 730. FOREIGN COMMERCIAL MOTOR TRANSPORTATION

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 730.001. DEFINITIONS. Defines "border," "commercial zone," and "foreign commercial motor vehicle."

Sec. 730.002. RULES. Authorizes the Department of Public Safety (department), the Texas Department of Transportation, and the Texas Department of Insurance to adopt other rules to carry out this chapter in addition to rules required by this chapter.

SUBCHAPTER B. PROVISIONS APPLICABLE ONLY IN COMMERCIAL ZONE

Sec. 730.011. COMMERCIAL ZONE EXCLUSIVE; BOUNDARIES. Provides that a law or agreement of less than statewide application that is adopted by an agency or political subdivision of this state and that regulates the transportation for hire of cargo across the border or by a foreign commercial motor vehicle (vehicle) within an area adjacent to the border has no effect unless the law or agreement applies uniformly to an entire commercial zone and only in a commercial zone. Provides that this section supersedes any paired city, paired state, or similar agreement. Outlines provisions regarding the boundaries of a commercial zone.

Sec. 730.012. REGISTRATION EXEMPTION IN COMMERCIAL ZONE. Sets forth instances in which a vehicle is exempt from any law of this state requiring the vehicle to be registered in this state, including a law providing for a temporary registration permit. Authorizes a vehicle operating under the exemption provided under this section and the vehicle's driver to be declared out of service if the vehicle is operated in this country outside the commercial zone or in violation of United States law.

Sec. 730.013. FUEL TAX. Provides that a person is not required to possess or display, for operation of a vehicle in a commercial zone, a permit otherwise required by Section 153.108, 153.109, 153.113, 153.211, 153.212, or 153.216, Tax Code.

SUBCHAPTER C. PROVISIONS APPLICABLE STATEWIDE

Sec. 730.031. FINANCIAL RESPONSIBILITY. Requires the department to adopt rules that conform with 49 C.F.R. Part 387 and its subsequent amendments requiring motor carriers operating vehicles in this state to maintain financial responsibility. Provides that the rules supersede any other requirement of state law relating to financial responsibility for operation of those vehicles in this state and the rules are required to provide for administrative penalties in the amounts provided by the federal regulations. Requires the department, the Texas Department of Transportation, and the Texas Department of Insurance to create a joint database to assist enforcement of the financial responsibility requirements of rules adopted under this section.

Sec. 730.032. DRIVER QUALIFICATIONS. Sets forth instances in which a person is not prohibited from driving a vehicle in this state in addition to any other requirements established by law for a person driving a commercial motor vehicle.

Sec. 730.033. OUT-OF-SERVICE RULES. Requires the department to adopt rules authorizing law enforcement officers of this state to declare a vehicle or a driver of a vehicle out of service, including rules under which a driver who violates Section 730.032 may be declared out of service. Requires the rules to conform to 49 C.F.R. Section 395.13 and its subsequent amendment and other federal law relating to declaring a vehicle or a driver out of service, including penalties under those rules and other law.

Sec. 730.034. RECORD OF DUTY STATUS EXEMPTION. Prohibits a law enforcement officer in this state from requiring a driver of a vehicle to display a record of duty status described under 49 C.F.R. Section 395.8 and its subsequent amendments, or any similar record, if the driver is exempt under 49 C.F.R. Section 395.1(e) and its subsequent amendments.

Sec. 730.035. BRAKES. Sets forth requirements regarding brakes for a vehicle.

Sec. 730.036. VERIFICATION CHECKPOINT. Sets forth requirements regarding the establishment of verification checkpoints.

Sec. 730.037. FRAUDULENT DOCUMENTATION. Sets forth requirements regarding fraudulent documentation.

Sec. 730.038. DOMESTIC TRANSPORTATION. Requires the department to adopt rules prohibiting the transportation for hire of cargo between a location in this state and another location in this state or another state of the United States by a carrier that is not domiciled in the United States or by use of a vehicle that is not manufactured in or legally imported into the United States.

Sec. 730.039. FOREIGN OWNERSHIP OF DOMESTIC CARRIER. Provides that a person who is domiciled in or a citizen of a foreign country is entitled to hold an ownership interest in a domestic motor carrier as provided by international agreement and federal law notwithstanding any law of this state to the contrary.

SECTION 2. Effective date: September 1, 1997.

SECTION 3. Emergency clause.