## **BILL ANALYSIS**

Senate Research Center 81R2582 KJM-F

H.B. 782 By: Pickett (Carona) Transportation & Homeland Security 4/28/2009 Engrossed

## **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

H.B. 313, which was enacted by the 80th Legislature, Regular Session, 2007, set requirements for exemption from Texas registration for commercial vehicles operating along the Texas-Mexico border. H.B. 782 clarifies the intent of H.B. 313.

Under current law, foreign commercial vehicles operating in a border commercial zone are granted a full exemption from Texas vehicle registration laws if the vehicles are registered and licensed as required by the law of another country and that country provides a reciprocal exemption for commercial motor vehicles owned by residents of Texas. Within the border commercial zone, foreign commercial carriers domiciled in Mexico are primarily involved in drayage or transfer movements of commercial vehicles (mainly semi-trailers). Many of these carriers purchase trailers that are registered in another state of the United States. If that state has a reciprocity agreement with Texas, the vehicles do not have to be registered in Texas if they are owned by a nonresident. The bill has the effect of requiring a vehicle from another state that is owned by a foreign commercial carrier operating in the border commercial zone to be registered in Texas.

H.B. 782 amends current law relating to registration exemptions for certain foreign commercial motor vehicles.

## **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

## **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 648.001(4), Transportation Code, to redefine "foreign commercial motor vehicle" (vehicle).

SECTION 2. Amends Section 648.101, Transportation Code, by amending Subsections (a) and (c) and adding Subsections (d) and (e), as follows:

- (a) Exempts a vehicle from Chapter 502 (Registration of Vehicles) and any other law of this state requiring the vehicle to be registered in this state, including a law providing for a temporary registration permit, for certain reasons, including if the vehicle is registered and licensed as required by the country in which the person that owns the vehicle is domiciled or is a citizen, rather than by the law of another country, as evidenced by a valid metal license plate attached to the front or rear of the exterior of the vehicle, and the country in which the person that owns the vehicle, rather than that owns or controls the vehicle, is domiciled or is a citizen provides a reciprocal exemption for commercial motor vehicles owned by residents of this state. Makes a conforming change.
- (c) Provides that a valid reciprocity agreement, rather than notwithstanding any reciprocity agreement, between this state and another state of the United States or a Canadian province that exempts currently registered vehicles owned by nonresidents is effective in a border commercial zone.
- (d) Creates this subsection from existing text.

(e) Requires that a vehicle located in a border commercial zone display a valid Texas registration if the vehicle is owned by a person who owns a leasing facility or a leasing terminal located in this state and leases the vehicle to a foreign motor carrier.

SECTION 3. Effective date: September 1, 2009.