#### **BILL ANALYSIS**

C.S.H.B. 2799
By: Talton
Urban Affairs
Committee Report (Substituted)

## **BACKGROUND AND PURPOSE**

Several of the large Texas cities are beginning to address the removal of disabled vehicles on state highways and roads without accord on the state level. A statewide policy on this issue is necessary to ensure that drivers understand their rights as they travel across the state.

HB 2799 establishes that municipalities may create a traffic incident management program authorizing a municipality to enter into an agreement with one or more towing companies to remove traffic on its roadways, requires vehicles towed under this program to safe drop locations, vehicle storage locations designated by the municipality, a garage designated or maintained by the municipality or a position off of the paved or main traveled part of the roadway. This legislation models the AFreeway Service Patrol® program established statewide in California in 1992 which has been extremely successful.

# **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

#### **ANALYSIS**

C.S.H.B. 2799 authorizes a political subdivision to establish a traffic incident management program to regulate towing within that political subdivision, if that political subdivision has been permitted to establish a program in an agreement with the Texas Department of Public Safety. The political subdivision may enter into agreements with towing companies to provide towing for the program and may not impose fees or a charge that exceeds two percent of the annual gross receipts for traffic incident management towing. The political subdivision must also apply all revenue received from these fees to the program and may pay a towing company for towing and storage under this program.

All vehicles towed in connection with the program must be taken to a safe drop location, garage maintained by the political subdivision, vehicle storage facility, or a space on a paved or main traveled part of the roadway or right-of-way.

A towing company that provides traffic incident management towing shall maintain insurance, may not use a driver that is not certified by the National Drivers Certification Program of the Towing and Recovery Association of America or a driver that has been convicted of a felony in the preceding seven years. The company must also provide training in for drivers in incident practices and provide appropriate equipment for the towing and recovery of light duty and heavy duty vehicles.

Towing companies shall verify the criminal records of their drivers through the Department of Public Safety and the political subdivision may impose stricter standards on the employment of drivers with felony convictions.

Finally, the program must comply with Chapter 15 of the Business and Commerce Code, preventing monopolies in connection with this program.

### **EFFECTIVE DATE**

This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution, otherwise this Act takes effect September 1, 2005.

## **COMPARISON OF ORIGINAL TO SUBSTITUTE**

The substitute removes the changes that were made in Section 1 of the original bill and adds that a local authority may establish a transportation enhancement program on a state highway or similar roadway if permitted in an agreement between the municipality and the Texas Department of Transportation by modifying Section 542.203 of the Transportation Code.

The substitute requires that all revenue generated by fees or charges in conjunction with the program must be applied to the program.

The substitute clarifies that towing companies shall verify the criminal records of their drivers through the Department of Public Safety.

Finally, the substitute adds that the traffic incident management program must comply with Chapter 15 of the Business and Commerce Code.