

By: Noriega

H.B. No. 1018

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the amount of liability insurance required to be
3 maintained on certain school buses owned by a motor carrier.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 643.101(b), Transportation Code, is
6 amended to read as follows:

7 (b) Except as provided by Section 643.1015, the [The]
8 department by rule may set the amount of liability insurance
9 required at an amount that does not exceed the amount required for a
10 motor carrier under a federal regulation adopted under 49 U.S.C.
11 Section 13906(a)(1). In setting the amount the department shall
12 consider:

- 13 (1) the class and size of the vehicle; and
14 (2) the persons or cargo being transported.

15 SECTION 2. Subchapter C, Chapter 643, Transportation Code,
16 is amended by adding Section 643.1015 to read as follows:

17 Sec. 643.1015. AMOUNT REQUIRED FOR CERTAIN SCHOOL BUSES.

18 (a) This section applies only to a school bus that:

19 (1) is owned by a motor carrier required to be
20 registered under Subchapter B;

21 (2) is in compliance with the requirements of Chapter
22 548; and

23 (3) is operated exclusively within the boundaries of a
24 municipality by a person who:

1 (A) holds a driver's license or commercial
2 driver's license of the appropriate class required for the
3 operation of the school bus; and

4 (B) meets the requirements of Section 521.022.

5 (b) The owner of a school bus shall maintain liability
6 insurance in the amount of at least \$500,000.

7 (c) In this section, "school bus" means a motor vehicle that
8 is operated by a motor carrier and used to transport preprimary,
9 primary, or secondary school students on a route between the
10 students' residences and a public, private, or parochial school or
11 day-care facility.

12 SECTION 3. Section 643.103(a), Transportation Code, is
13 amended to read as follows:

14 (a) A motor carrier that is required to register under
15 Subchapter B must file with the department evidence of insurance in
16 the amounts required by Section 643.101 or 643.1015, or evidence of
17 financial responsibility as described by Section 643.102, in a form
18 prescribed by the department. The form must be filed:

19 (1) at the time of the initial registration;

20 (2) at the time of a subsequent registration if the
21 motor carrier was required to be continuously registered under
22 Subchapter B and the carrier failed to maintain continuous
23 registration;

24 (3) at the time a motor carrier changes insurers; and

25 (4) at the time a motor carrier changes ownership, as
26 determined by rules adopted by the department.

27 SECTION 4. This Act takes effect immediately if it receives

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1 a vote of two-thirds of all the members elected to each house, as
2 provided by Section 39, Article III, Texas Constitution. If this
3 Act does not receive the vote necessary for immediate effect, this
4 Act takes effect September 1, 2005.