

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 having a population of 1.9 million or more by a person

1 who:

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

5 (B) meets the requirements of Section 521.022.

6 (b) The owner of a school bus shall maintain liability
7 insurance in the amount of:

8 (1) at least \$300,000 for a school bus designed or used
9 to transport fewer than 26 passengers, including the operator; and

10 (2) at least \$500,000 for a school bus designed or used
11 to transport 26 or more passengers, including the operator.

12 (c) In this section, "school bus" means a motor vehicle that
13 is operated by a motor carrier and used to transport pre-primary,
14 primary, or secondary school students on a route between the
15 students' residences and a public, private, or parochial school or
16 day-care facility.

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

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

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

25 (2) at the time of a subsequent registration if the
26 motor carrier was required to be continuously registered under
27 Subchapter B and the carrier failed to maintain continuous

1 registration;

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

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

5 SECTION 4. This Act takes effect immediately if it receives
6 a vote of two-thirds of all the members elected to each house, as
7 provided by Section 39, Article III, Texas Constitution. If this
8 Act does not receive the vote necessary for immediate effect, this
9 Act takes effect September 1, 2005.