

1-1 By: Noriega (Senate Sponsor - Ellis) H.B. No. 1018  
1-2 (In the Senate - Received from the House April 25, 2005;  
1-3 April 26, 2005, read first time and referred to Committee on  
1-4 Business and Commerce; May 6, 2005, reported adversely, with  
1-5 favorable Committee Substitute by the following vote: Yeas 7,  
1-6 Nays 0; May 6, 2005, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR H.B. No. 1018 By: Estes

1-8 A BILL TO BE ENTITLED  
1-9 AN ACT

1-10 relating to the amount of liability insurance required to be  
1-11 maintained on certain school buses owned by a motor carrier.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Section 643.101(b), Transportation Code, is  
1-14 amended to read as follows:

1-15 (b) Except as provided by Section 643.1015, the [The]  
1-16 department by rule may set the amount of liability insurance  
1-17 required at an amount that does not exceed the amount required for a  
1-18 motor carrier under a federal regulation adopted under 49 U.S.C.  
1-19 Section 13906(a)(1). In setting the amount the department shall  
1-20 consider:

1-21 (1) the class and size of the vehicle; and

1-22 (2) the persons or cargo being transported.

1-23 SECTION 2. Subchapter C, Chapter 643, Transportation Code,  
1-24 is amended by adding Section 643.1015 to read as follows:

1-25 Sec. 643.1015. AMOUNT REQUIRED FOR CERTAIN SCHOOL BUSES.

1-26 (a) This section applies only to a school bus that:

1-27 (1) is owned by a motor carrier required to be  
1-28 registered under Subchapter B;

1-29 (2) is in compliance with the requirements of Chapter  
1-30 548; and

1-31 (3) is operated exclusively within the boundaries of a  
1-32 municipality by a person who:

1-33 (A) holds a driver's license or commercial  
1-34 driver's license of the appropriate class required for the  
1-35 operation of the school bus; and

1-36 (B) meets the requirements of Section 521.022.

1-37 (b) The owner of a school bus shall maintain liability  
1-38 insurance in the amount of at least \$500,000 combined single limit.

1-39 (c) In this section, "school bus" means a motor vehicle that  
1-40 is operated by a motor carrier and used to transport preprimary,  
1-41 primary, or secondary school students on a route between the  
1-42 students' residences and a public, private, or parochial school or  
1-43 day-care facility.

1-44 SECTION 3. Section 643.103(a), Transportation Code, is  
1-45 amended to read as follows:

1-46 (a) A motor carrier that is required to register under  
1-47 Subchapter B must file with the department evidence of insurance in  
1-48 the amounts required by Section 643.101 or 643.1015, or evidence of  
1-49 financial responsibility as described by Section 643.102, in a form  
1-50 prescribed by the department. The form must be filed:

1-51 (1) at the time of the initial registration;

1-52 (2) at the time of a subsequent registration if the  
1-53 motor carrier was required to be continuously registered under  
1-54 Subchapter B and the carrier failed to maintain continuous  
1-55 registration;

1-56 (3) at the time a motor carrier changes insurers; and

1-57 (4) at the time a motor carrier changes ownership, as  
1-58 determined by rules adopted by the department.

1-59 SECTION 4. This Act takes effect immediately if it receives  
1-60 a vote of two-thirds of all the members elected to each house, as  
1-61 provided by Section 39, Article III, Texas Constitution. If this  
1-62 Act does not receive the vote necessary for immediate effect, this  
1-63 Act takes effect September 1, 2005.

2-1

\* \* \* \* \*