

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

May 5, 2005

TO: Honorable Troy Fraser, Chair, Senate Committee on Business & Commerce

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: HB1018 by Noriega, Melissa (relating to the amount of liability insurance required to be maintained on certain school buses owned by a motor carrier.), **Committee Report 2nd House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend Chapter 643, Transportation Code, to require that certain school buses owned by a motor carrier maintain liability insurance in the amount of at least \$500,000 combined single limit. The bill would take effect immediately if it receives the required two-thirds vote in each house; otherwise, it would take effect September 1, 2005.

The Texas Department of Transportation (TxDOT) anticipates that making administrative rule changes to adjust for the requirements of the bill would have no significant fiscal impact on the agency. TxDOT also reports that the proposed change in statute would not cause the state any loss of federal funds.

Local Government Impact

Chapter 643 exempts from the requirements of the chapter a school bus operated by a public or private school, therefore, the provisions of the bill would apply only to school buses operated by a private entity and there would be no fiscal impact to units of local government.

Source Agencies: 601 Department of Transportation

LBB Staff: JOB, SD, JRO, DLBa