

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 7, 2007

TO: Honorable Mike Krusee, Chair, House Committee on Transportation

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

IN RE: HB1083 by Veasey (Relating to safety regulations for certain contract carriers.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Transportation Code as it relates to safety regulations for certain contract carriers.

This bill would amend Transportation Code, Section 644.054(b) and add (c) which would require contract carriers to perform drug and alcohol testing on their vehicle operators on employment on employment, on suspicion of alcohol or drug abuse, and periodically as determined by the Department of Public Safety (DPS). Contract carriers would also be required to carry, at a minimum, \$1.5 million in liability insurance for each vehicle. DPS would be required to inform the contract carriers and railroad companies that employ contract carriers of the state statute requirements applicable to contract carriers. The bill would take effect on September 1, 2007.

DPS and the Texas Department of Transportation (TxDOT) have both determined that the cost of implementing the provisions of the bill would not be significant. DPS would be responsible for the drug testing and commercial driver's license requirements and TxDOT would be responsible for the liability insurance requirements. It is assumed that these costs can be absorbed within each agency's current appropriations.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 405 Department of Public Safety, 601 Department of Transportation

LBB Staff: JOB, KJG, GG, LG