

BILL ANALYSIS

H.B. 782
By: Pickett
Transportation
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Under current law, foreign commercial vehicles operating in a border commercial zone are granted a full exemption from Texas vehicle registration laws if the vehicles are registered and licensed as required by the law of another country and that country provides a reciprocal exemption for commercial motor vehicles owned by residents of Texas. Within the border commercial zone, foreign commercial carriers domiciled in Mexico are primarily involved in drayage or transfer movements of commercial vehicles (mainly semi-trailers). Many of these carriers purchase trailers that are registered in another state of the United States. If that state has a reciprocity agreement with Texas, the vehicles do not have to be registered in Texas if they are owned by a nonresident.

H.B. 782 amends the Transportation Code to require a foreign commercial motor vehicle operating in a border commercial zone to be registered and licensed in the country in which the person that owns the vehicle is domiciled or is a citizen in order for the vehicle to be exempt from Texas vehicle registration laws. The bill has the effect of requiring a vehicle from another state that is owned by a foreign commercial carrier operating in the border commercial zone to be registered in Texas.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 782 amends the Transportation Code to establish for purposes of the law governing foreign commercial motor transportation that "foreign commercial motor vehicle" means a commercial motor vehicle under federal rules that is owned, rather than owned or controlled, by a person or entity that is domiciled in or a citizen of a country other than the United States. The bill establishes for purposes of exempting a foreign commercial motor vehicle operating in a border commercial zone from state laws requiring the vehicle to be registered in Texas that the requirement for the vehicle to be registered and licensed by another country that provides a reciprocal exemption for commercial motor vehicles registered and licensed in Texas refers to the country in which the person that owns the vehicle is domiciled or is a citizen. The bill establishes that a valid reciprocity agreement between Texas and another state of the United States or a Canadian province that exempts currently registered vehicles owned by nonresidents is effective in a border commercial zone. The bill requires a vehicle located in a border commercial zone to display a valid Texas registration if the vehicle is owned by a person who owns a leasing facility or a leasing terminal located in Texas and leases the vehicle to a foreign motor carrier.

EFFECTIVE DATE

September 1, 2009.