

## **BILL ANALYSIS**

S.B. 481  
By: Carona  
Transportation  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Contract carriers transport train operating crews to and from trains and between terminals. Railroads often save money by using the services of outside vendors as contract carriers. Generally, the vehicle a contract carrier uses is a small passenger van designed to transport eight or fewer passengers, including the driver. The contract carrier may transport crews between two local points or across long distances. In some cases, these trips may take several hours.

When contract carriers were first regulated in 1997, they were mostly small businesses with a regional scope. Since that time, large businesses have grown to provide these carrier services. As larger businesses, they need more regulation to ensure the safety of their passengers; nonetheless, current law does not designate mandatory drug and alcohol testing.

S.B. 481 requires contract carriers to perform alcohol and drug testing of vehicle operators on employment, on suspicion of drug or alcohol abuse, and periodically as determined by the Department of Public Safety (DPS). The bill also requires the contract carrier to maintain a minimum of \$1.5 million in liability insurance for each vehicle and requires DPS to inform contract carriers and railroad companies that employ contract carriers of applicable state laws.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that rulemaking authority is expressly granted to the Department of Public Safety in SECTION 1 of this bill.

### **ANALYSIS**

S.B. 481 amends Transportation Code provisions that apply only to a contract carrier that transports an operating employee of a railroad on a road or highway of Texas in a vehicle designed to carry 15 or fewer passengers. The bill requires Department of Public Safety (DPS) rules regulating the operation of such a contract carrier to require the contract carrier to perform alcohol and drug testing of vehicle operators on employment, on suspicion of alcohol or drug abuse, and periodically as determined by DPS and to require the contract carrier, at a minimum, to maintain liability insurance in the amount of \$1.5 million for each vehicle.

S.B. 481 requires DPS to inform contract carriers and railroad companies that employ contract carriers of the requirements of Texas statutes applicable to contract carriers.

### **EFFECTIVE DATE**

September 1, 2009.