## **BILL ANALYSIS**

Senate Research Center 81R3064 JAM-D S.B. 481 By: Carona Transportation & Homeland Security 2/23/2009 As Filed

## AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Contract carriers transport train operating crews to and from trains, and between terminals. Railroads often save money using the services of outside vendors. Generally, the vehicle the contract carriers 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 certain 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. They need more regulation to ensure the safety of their passengers. Section 644.054 (Regulation of Contract Carriers of Certain Passengers), Transportation Code, does not designate mandatory drug and alcohol testing.

As proposed, S.B. 481 requires contract carriers to perform alcohol and drug testing of vehicle operators on employment, on suspicion and periodically. The bill also requires the contract carrier to maintain a minimum of \$1.5 million in liability insurance for each vehicle and requires the Department of Public Safety to inform contract carriers and railroad companies that employ contract carriers of the requirement of applicable state statutes.

## **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Department of Public Safety in SECTION 1 (Section 644.054, Transportation Code) of this bill.

## SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 644.054, Transportation Code, by amending Subsection (b) and adding Subsection (c), as follows:

(b) Requires the Department of Public Safety (DPS) to adopt rules regulating the operation of a contract carrier to which this section applies. Requires that the rules require a 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 require a contract carrier, at a minimum, to maintain liability insurance in the amount of \$1.5 million for each vehicle. Creates Subsection (b)(6) from existing text.

(c) Requires DPS to inform contract carriers and railroad companies that employ contract carriers of the requirements of state statutes applicable to contract carriers.

SECTION 2. Effective date: September 1, 2009.