

## **BILL ANALYSIS**

H.B. 3254  
By: Phillips  
Transportation  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Interested parties contend that the Texas Department of Motor Vehicles needs additional authority in regulating motor carriers and enforcing that regulation, including authority to deny a motor carrier registration to a carrier that changes names or operates under various aliases to continue operations without remedying previous penalties or sanctions, which are often related to safety. H.B. 3254 seeks to provide for this expanded authority.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **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. 3254 amends the Transportation Code to authorize the Texas Department of Motor Vehicles (TxDMV) to deny a motor carrier registration if the applicant is owned, operated, managed, or otherwise controlled by or affiliated with a person, including a family member, corporate officer, entity, or shareholder, that has unpaid administrative penalties assessed under statutory provisions relating to motor carrier registration or vehicle size and weight or that owned, operated, managed, or otherwise controlled a motor carrier that the Federal Motor Carrier Safety Administration has placed out of service for unacceptable safety compliance. The bill clarifies TxDMV authority to deny a motor carrier registration if the applicant is owned, operated, managed, or otherwise controlled by or affiliated with a person that the Department of Public Safety has determined has an unsatisfactory safety rating under applicable federal regulations or has multiple violations of commercial motor vehicle safety standards or rules of the road. The bill authorizes TxDMV to deny a supplement to a motor carrier's application for registration if the motor carrier is owned, operated, managed, or otherwise controlled by or affiliated with a person that has unpaid administrative penalties assessed under statutory provisions relating to motor carrier registration or vehicle size and weight.

H.B. 3254 prohibits a motor carrier from renewing a registration that has been expired for more than 180 days but authorizes the motor carrier to obtain a new registration by complying with the requirements and procedures for obtaining an original registration. The bill authorizes a motor carrier whose registration has been revoked to apply to TxDMV for reregistration not later than the 180th day after the date the registration was revoked and requires an application for reregistration to be submitted on a form prescribed by TxDMV and accompanied by a \$10 fee for each vehicle requiring registration, evidence of insurance or financial responsibility, and any required insurance filing fee. The bill authorizes TxDMV to deny a motor carrier's application to

renew a registration or application for reregistration if the motor carrier is owned, operated, managed, or otherwise controlled by or affiliated with a person that DPS has determined has an unsatisfactory safety rating under federal regulations or has multiple violations of commercial motor vehicle safety standards or rules of the road; that owned, operated, managed, or otherwise controlled a motor carrier that the Federal Motor Carrier Safety Administration has placed out of service for unacceptable safety compliance, or that has unpaid administrative penalties assessed under statutory provisions relating to motor carrier registration or vehicle size and weight.

H.B. 3254 replaces the requirement for a motor carrier that is required to register and that transports household goods for compensation to file a tariff with TxDMV that establishes maximum charges for transportation between two or more municipalities with the requirement for such a motor carrier to file a tariff that establishes maximum charges for all transportation services. The bill specifies that a motor carrier complying with that requirement by filing a copy of the carrier's tariff governing interstate transportation must do so in a manner determined by TxDMV. The bill removes from the requirement that TxDMV make filed tariffs available for public inspection the specification that the tariffs are to be made available for such inspection at TxDMV.

H.B. 3254 expands the grounds on which TxDMV may suspend, revoke, or deny a registration of a motor carrier or place on probation a motor carrier whose registration is suspended to include a motor carrier's violation of statutory provisions relating to vehicle size and weight, violation of a rule or order adopted under those provisions; or the knowing provision of false information on a form filed with TxDMV under those provisions. The bill authorizes TxDMV to take such action if a motor carrier is owned, operated, managed, or otherwise controlled by or affiliated with a person whose registration has previously been revoked or denied or that has unpaid administrative penalties under statutory provisions relating to motor carrier registration or vehicle size and weight. The bill requires TxDMV to provide a motor carrier who has timely requested an administrative hearing on an enforcement action for an alleged violation the opportunity to present evidence at the hearing.

H.B. 3254 replaces the authorization for TxDMV to participate to the fullest extent practicable in a federal motor carrier registration program under the unified carrier registration system or a single state registration system established under federal law with the authorization for TxDMV to participate to the fullest extent practicable in the federal unified carrier registration plan and agreement. The bill replaces the requirement for TxDMV to adopt rules that are consistent with federal law providing for administrative penalties and sanctions for a failure to register as required by the unified carrier registration system or single state registration system or for certain violations with the authorization for TxDMV to adopt rules providing for administrative penalties for a failure to register or submit information and documents under the unified carrier registration plan and agreement or for a violation of that plan and agreement. The bill makes the administrative hearing process for enforcement of motor carrier registration applicable to the imposition of an administrative penalty under those TxDMV rules and establishes that the amount of such an administrative penalty is calculated in the same manner as the amount of an administrative penalty imposed for the enforcement of motor carrier registration. The bill revises the conduct constituting a Class C misdemeanor offense under provisions relating to the unified carrier registration plan and agreement by including the failure to register or submit information and documents as required by the plan and agreement and removing certain other conduct.

H.B. 3254 repeals the requirement for TxDMV by rule to provide for the issuance to a motor carrier of an identification number authorized by the Federal Motor Carrier Safety Administration and repeals a provision capping the fee for filing proof of insurance charged by TxDMV to a motor carrier holding a permit issued under federal law.

H.B. 3254 amends the Tax Code to make a conforming change.

H.B. 3254 repeals the following provisions of the Transportation Code:

- Section 643.001(7-a)
- Section 643.064(a)
- Section 645.002(a)

**EFFECTIVE DATE**

September 1, 2017.