

BILL ANALYSIS

Senate Research Center
85R10247 JRR-D

S.B. 1939
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Transportation
5/15/2017
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Unlike every other state with a major point of export, Texas permits make no accommodation for sealed ocean cargo shipping containers travelling in international commerce. This leaves some Texas employers at a significant competitive disadvantage with no way to get fully loaded, customs-inspected containers to a railroad, port, or international bridge.

The rapid growth of new export markets, the ongoing successes of Texas in attracting that commerce, combined with the modest shipper savings achievable by expanding allowable truck standards approved by the federal government would help the state compete with other states. Texas already provides truck weight exceptions to exporters over limited corridors near some ports. The enacting of this legislation aids and allows for the continuing growth of Texas' economy beyond those select ports.

The Texas Department of Motor Vehicles, in conjunction with the Texas Department of Transportation (TxDOT), is responsible for regulating the movement of oversize and overweight vehicles and loads on the state highway system. These agencies currently issue permits for the movement of oversize and overweight vehicles. This insures the safety of the traveling public while also protecting the integrity of state infrastructure. While there are existing single trip or annual permits for the movement of overweight vehicles on state, county, or municipal roads, there are no permits taking advantage of current federal law authorizing movement of shipping containers on interstate or US highways.

23CFR658 is clarified by federal highways that states may consider containers moving in international commerce as non-divisible but are not required to do so.

S.B. 1939 allows a sealed ocean cargo shipping container traveling no more than five miles on an interstate or US highway near a border with another state, with TxDOT approval, to purchase an annual permit. The annual permit would allow the state to compete with surrounding states in the import and export of intermodal commodities.

As proposed, S.B. 1939 amends current law relating to the movement of vehicles transporting sealed ocean cargo shipping containers and authorizes a fee.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter B, Chapter 623, Transportation Code, by adding Section 623.0172, as follows:

Sec. 623.0172. SEALED OCEAN CARGO SHIPPING CONTAINERS. (a) Defines "sealed ocean cargo shipping container."

(b) Requires the Texas Department of Motor Vehicles (TxDMV), except as provided by Subsection (g), to issue an annual permit for the movement of a

sealed ocean cargo shipping container moving in overseas international commerce on a trailer or semitrailer with three axles if the combination of vehicles transporting the container meets certain criteria.

(c) Requires TxDMV to restrict vehicles operating under an issued permit to routes that are on highways in the state highway system and are not more than five miles from any border between this state and another state.

(d) Requires an applicant for a permit to designate each Texas Department of Transportation (TxDOT) district in which the permit will be used.

(e) Requires TxDMV to set the amount of the fee for an issued permit in an amount not to exceed \$2,000, of which 90 percent is required to be deposited to the credit of the state highway fund (SHF) and 10 percent is required to be deposited to the credit of the TxDMV fund.

(f) Authorizes a fee deposited under Subsection (e)(1) (relating to requiring a certain deposit in the SHF) to be used only for transportation projects in the TxDOT district designated in the permit application for which the fee was assessed.

(g) Prohibits TxDMV from issuing a permit if TxDMV determines that the operation of a vehicle under an authorized permit would result in the loss of federal highway funding.

SECTION 2. Effective date: September 1, 2017.