

## **BILL ANALYSIS**

C.S.H.B. 561  
By: Murphy  
Transportation  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Interested parties contend that the use of small utility vehicles by delivery and logistics companies in residential communities will make operations more efficient while better serving customers and the environment. C.S.H.B. 561 seeks to address this issue by providing for the use of package delivery vehicles.

### **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 rulemaking authority is expressly granted to the Texas Department of Motor Vehicles in SECTION 1 of this bill.

### **ANALYSIS**

C.S.H.B. 561 amends the Transportation Code to authorize the Texas Department of Motor Vehicles (TxDMV) to issue distinguishing license plates for a vehicle operated by a motor carrier for the purpose of picking up and delivering mail, parcels, and packages if the vehicle is an all-terrain vehicle, a golf cart, a neighborhood electric vehicle, a recreational off-highway vehicle, or a utility vehicle, and is equipped with headlamps, taillamps, reflectors, a parking brake, and mirrors, in addition to any other equipment required by law. The bill requires TxDMV to establish by rule a procedure to issue the license plates to be used only for operation in accordance with the bill's provisions. The bill requires the license plates to include the words "Package Delivery" and authorizes TxDMV to charge a license plate fee not to exceed \$25 annually to be deposited to the credit of the TxDMV fund.

C.S.H.B. 561 authorizes a motor carrier to operate for the purpose of picking up or delivering mail, parcels, or packages a vehicle bearing such license plates on a public highway that is not an interstate or a limited-access or controlled-access highway and that has a speed limit of not more than 35 miles per hour. The bill prohibits TxDMV from requiring the registration of a vehicle operated in such a manner unless the registration is required by other law.

C.S.H.B. 561 authorizes a property owner's association to adopt reasonable safety and use rules for the operation, for the purpose of picking up or delivering mail, parcels, or packages, of a vehicle bearing license plates issued under the bill's provisions on the property of a subdivision or condominium managed or regulated by the association. The bill authorizes a motor carrier to operate for such a purpose a vehicle bearing such license plates on the property of a subdivision subject to restrictions or a condominium that has in place a declaration in a manner that complies with any applicable rules adopted by a property owners' association that manages or regulates the subdivision or condominium.

C.S.H.B. 561 authorizes the governing body of a municipality to allow a motor carrier to operate for the purpose of picking up or delivering mail, parcels, or packages a vehicle bearing such license plates on all or part of a public highway that is in the corporate boundaries of the municipality and has a speed limit of not more than 35 miles per hour. The bill authorizes a county commissioners court to allow a motor carrier to operate for such a purpose a vehicle bearing the license plates on all or part of a public highway that is located in the unincorporated area of the county and has a speed limit of not more than 35 miles per hour. The bill authorizes a vehicle bearing the license plates issued under the bill's provisions to cross intersections, including on or through a road or street that has a speed limit of more than 35 miles per hour, and establishes that in the case of a conflict between the bill's provisions and other law, the bill's provisions control.

### **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2017.

### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 561 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

#### INTRODUCED

SECTION 1. The heading to Subchapter F, Chapter 551, Transportation Code, is amended to read as follows:  
SUBCHAPTER F. GOLF CARTS [~~AND UTILITY VEHICLES~~]

SECTION 2. Section 551.401, Transportation Code, is amended to read as follows:  
Sec. 551.401. DEFINITIONS. In this subchapter, "golf [~~is~~":  
[(1) "~~Golf~~] cart" and "public highway" have the meanings assigned by Section 502.001.  
[(2) "~~Utility vehicle~~" means a motor vehicle that is not a golf cart or lawn mower and is:  
[(A) ~~equipped with side-by-side seating for the use of the operator and a passenger;~~  
[(B) ~~designed to propel itself with at least four tires in contact with the ground;~~  
[(C) ~~designed by the manufacturer for off-highway use only; and~~  
[(D) ~~designed by the manufacturer primarily for utility work and not for recreational purposes.~~]

SECTION 3. Sections 551.404(a-1) and (b), Transportation Code, are amended to read as follows:

#### HOUSE COMMITTEE SUBSTITUTE

No equivalent provision.

No equivalent provision.

No equivalent provision

(a-1) In addition to the operation authorized by Section 551.403, the commissioners court of a county described by Subsection (a-2) may allow an operator to operate a golf cart [~~or utility vehicle~~] on all or part of a public highway that:

(1) is located in the unincorporated area of the county; and

(2) has a speed limit of not more than 35 miles per hour.

(b) A golf cart [~~or utility vehicle~~] operated under this section must have the following equipment:

(1) headlamps;

(2) taillamps;

(3) reflectors;

(4) a parking brake; and

(5) mirrors.

SECTION 4. Subchapter F, Chapter 551, Transportation Code, is amended by adding Section 551.406 to read as follows:

Sec. 551.406. RULES IN MASTER PLANNED COMMUNITIES. A master planned community may adopt reasonable safety and maintenance rules for the operation of a golf cart in that community.

SECTION 5. Chapter 551, Transportation Code, is amended by adding Subchapter G to read as follows:

SUBCHAPTER G. COMMERCIAL UTILITY VEHICLES

Sec. 551.451. DEFINITIONS. In this subchapter:

(1) "Commercial utility vehicle" means a motor vehicle that is not a golf cart or lawn mower and is:

(A) equipped with side-by-side seating for use by the operator and a passenger;

(B) designed to propel itself with at least four tires in contact with the ground;

(C) designed by the manufacturer for on- or off-highway use; and

(D) designed by the manufacturer primarily for commercial utility work and not for recreational purposes.

(2) "Golf cart" and "public highway" have the meanings assigned by Section 502.001.

No equivalent provision.

SECTION 1. Chapter 551, Transportation Code, is amended by adding Subchapter G to read as follows:

SUBCHAPTER G. PACKAGE DELIVERY VEHICLES

Sec. 551.451. DEFINITIONS. In this subchapter:

(1) "All-terrain vehicle" has the meaning assigned by Section 502.001.

(2) "Golf cart" has the meaning assigned by Section 502.001.

(3) "Motor carrier" has the meaning assigned by Section 643.001.

- (4) "Neighborhood electric vehicle" has the meaning assigned by Section 551.301.
- (5) "Public highway" has the meaning assigned by Section 502.001.
- (6) "Recreational off-highway vehicle" has the meaning assigned by Section 502.001.
- (7) "Utility vehicle" has the meaning assigned by Section 551.401.

Sec. 551.452. REGISTRATION. (a) The Texas Department of Motor Vehicles may register a commercial utility vehicle for operation on public highways in accordance with this subchapter.

*(See Sec. 551.453(b), below)*

(b) The Texas Department of Motor Vehicles may issue license plates for a commercial utility vehicle as authorized by Subsection (c).

Sec. 551.452. LICENSE PLATES FOR PACKAGE DELIVERY VEHICLES.

(a) The Texas Department of Motor Vehicles may issue distinguishing license plates for a vehicle operated by a motor carrier for the purpose of picking up and delivering mail, parcels, and packages if the vehicle:

(c) The Texas Department of Motor Vehicles by rule shall establish a procedure to issue the license plates to be used for operation in accordance with this subchapter.

- (1) is:
  - (A) an all-terrain vehicle;
  - (B) a golf cart;
  - (C) a neighborhood electric vehicle;
  - (D) a recreational off-highway vehicle; or
  - (E) a utility vehicle; and
- (2) is equipped with headlamps, taillamps, reflectors, a parking brake, and mirrors, in addition to any other equipment required by law.

(b) The Texas Department of Motor Vehicles by rule shall establish a procedure to issue the license plates to be used only for operation in accordance with this subchapter.

(d) The Texas Department of Motor Vehicles may charge a fee not to exceed \$25 for the cost of the license plates.

(c) The license plates must include the words "Package Delivery."

(d) The Texas Department of Motor Vehicles may charge a license plate fee not to exceed \$25 annually to be deposited to the credit of the Texas Department of Motor Vehicles fund.

Sec. 551.453. LIMITED OPERATION. (a) An operator may operate a commercial utility vehicle:

Sec. 551.453. LIMITED OPERATION. (a) A motor carrier may operate, for the purpose of picking up or delivering mail, parcels, or packages, a vehicle bearing license plates issued under Section 551.452 on a public highway that is not an interstate or a limited-access or controlled-access highway and that has a speed limit of not more than 35 miles per hour.

- (1) in a master planned community:
  - (A) that has in place a uniform set of restrictive covenants; and
  - (B) for which a county or municipality has approved a plat; or
- (2) on a public or private beach.

(b) An operator who is an employee or agent of a political subdivision may operate a commercial utility vehicle that is owned by the political subdivision on any public highway.

*(See Sec. 551.452(a), above)*

No equivalent provision.

Sec. 551.454. OPERATION IN MUNICIPALITIES AND CERTAIN COUNTIES. (a) In addition to the operation authorized by Section 551.453, the governing body of a municipality may allow an operator to operate a commercial utility vehicle on all or part of a public highway that:

(b) The Department of Motor Vehicles may not require the registration of a vehicle operated under Subsection (a) unless the registration is required by other law.

Sec. 551.454. OPERATION ON PROPERTY OF SUBDIVISION OR CONDOMINIUM. (a) In this section:  
(1) "Condominium" has the meaning assigned by Section 82.003, Property Code.  
(2) "Declaration" has the meaning assigned by Section 82.003, Property Code.  
(3) "Property owners' association" has the meaning assigned by Section 202.001, Property Code.  
(4) "Restrictions" has the meaning assigned by Section 209.002, Property Code.  
(5) "Subdivision" has the meaning assigned by Section 209.002, Property Code.  
(b) A property owners' association may adopt reasonable safety and use rules for the operation, for the purpose of picking up or delivering mail, parcels, or packages, of a vehicle bearing license plates issued under Section 551.452 on the property of a subdivision or condominium managed or regulated by the association.  
(c) A motor carrier may operate, for the purpose of picking up or delivering mail, parcels, or packages, a vehicle bearing license plates issued under Section 551.452 on the property of a subdivision subject to restrictions or a condominium that has in place a declaration, in a manner that complies with any applicable rules adopted by a property owners' association that manages or regulates the subdivision or condominium.

Sec. 551.455. OPERATION IN MUNICIPALITIES AND COUNTIES. (a) In addition to the operation authorized by Sections 551.453 and 551.454, the governing body of a municipality may allow a motor carrier to operate, for the purpose of picking up or delivering mail, parcels, or packages, a vehicle bearing license plates issued under Section 551.452 on all or part

(1) is in the corporate boundaries of the municipality; and  
(2) has a posted speed limit of not more than 35 miles per hour.  
(b) In addition to the operation authorized by Section 551.453, the commissioners court of a county described by Subsection (c) may allow an operator to operate a commercial utility vehicle on all or part of a public highway that:

(1) is located in the unincorporated area of the county; and  
(2) has a speed limit of not more than 35 miles per hour.  
(c) Subsection (b) applies only to a county that:  
(1) borders or contains a portion of the Red River;  
(2) borders or contains a portion of the Guadalupe River and contains a part of a barrier island that borders the Gulf of Mexico; or  
(3) is adjacent to a county described by Subdivision (2) and:  
(A) has a population of less than 30,000; and  
(B) contains a part of a barrier island that borders the Gulf of Mexico.  
(d) A commercial utility vehicle operated under this section must have the following equipment:  
(1) headlamps;  
(2) taillamps;  
(3) reflectors;  
(4) a parking brake; and  
(5) mirrors.

Sec. 551.455. CROSSING CERTAIN ROADWAYS. A commercial utility vehicle may cross intersections, including on or through a road or street that has a posted speed limit of more than 35 miles per hour.

No equivalent provision.

Sec. 551.456. RULES IN MASTER PLANNED COMMUNITIES. A master

of a public highway that:

(1) is in the corporate boundaries of the municipality; and  
(2) has a speed limit of not more than 35 miles per hour.  
(b) In addition to the operation authorized by Sections 551.453 and 551.454, a county commissioners court may allow a motor carrier to operate, for the purpose of picking up or delivering mail, parcels, or packages, a vehicle bearing license plates issued under Section 551.452 on all or part of a public highway that:  
(1) is located in the unincorporated area of the county; and  
(2) has a speed limit of not more than 35 miles per hour.

Sec. 551.456. CROSSING CERTAIN ROADWAYS. A vehicle bearing license plates issued under Section 551.452 may cross intersections, including on or through a road or street that has a speed limit of more than 35 miles per hour.

Sec. 551.457. CONFLICTS. In the case of a conflict between this subchapter and other law, including Chapters 502 and 663, this subchapter controls.

No equivalent provision.

planned community may adopt reasonable safety and maintenance rules for the operation of a commercial utility vehicle in that community.

SECTION 6. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

SECTION 2. Same as introduced version.