

SUBJECT: Studying a pavement consumption fee for commercial vehicles

COMMITTEE: Transportation — committee substitute recommended

VOTE: 11 ayes — Canales, Bernal, Y. Davis, Goldman, Krause, Leman,
Martinez, Ortega, Raney, Thierry, E. Thompson

1 nay — Hefner

1 absent — Landgraf

WITNESSES: For — (*Registered, but did not testify*: Matthew Geske, Austin Chamber of Commerce; JJ Rocha, Texas Municipal League; Mackenna Wehmeyer, Texas Rail Advocates; Bill Kelberlau; Ronda McCauley; Wilma Joy Putnam; Terry Putnam)

Against — (*Registered, but did not testify*: Steven Albright, AGC of Texas-Highway Heavy Branch; Michael Stewart, Aggregated Transporters Association of Texas; Randy Cubriel, Nucor; Shana Joyce, Texas Oil and Gas Association)

On — John Esparza, Texas Trucking Association; (*Registered, but did not testify*: Michael Lee, Texas Department of Transportation)

DIGEST: CSHB 3469 would direct the Texas Department of Transportation (TxDOT), in consultation with the University of Texas Center for Transportation Research and the Texas A&M Transportation Institute, to study the feasibility of a pavement consumption fee for commercial vehicles.

The study would consider the feasibility of charging a pavement consumption fee in the amount of the reasonable cost to repair damage to the pavement of highways caused by the normal operation of commercial motor vehicles engaged in interstate or international commerce that were required by federal law to use an electronic logging device.

The study also would identify and consider adjusting or eliminating registration or permit fees imposed on commercial motor vehicles that were wholly or partly used to pay for highway maintenance should a pavement consumption fee be adopted.

In conducting the study, TxDOT would be required to develop a system to:

- determine the governmental entity responsible for the maintenance of each section of a highway on which a commercial vehicle subject to the pavement consumption fee was operated;
- establish fee rates that would reflect the cost per mile to repair damage to highways subject to the fee caused by the normal operation of commercial vehicles subject to the fee; and
- calculate the total amount of the fee due for a reporting period from the operator of a commercial motor vehicle subject to the fee.

TxDOT would be required to develop a prototype of any software required for the system.

TxDOT would recommend rules for the administration, collection, and enforcement of the fee and the distribution of the fee to governmental entities responsible for the maintenance of highways to which the fee would be applied.

TxDOT would be required to submit the study, including policy and legislative recommendations, to the governor, lieutenant governor, and the Legislature by November 1, 2020. The bill's provisions would expire May 1, 2020.

The bill would take effect September 1, 2019.

**SUPPORTERS
SAY:**

CSHB 3469 would provide the information necessary for the Legislature to consider implementing a pavement consumption fee. Such a fee could be a transparent and proportional way to charge commercial vehicles for their share of highway maintenance by taking into account the

characteristics of sections of highway and the characteristics of trucks, including weight and weight distribution. Considering these characteristics would address concerns regarding the highway usage fees in other states, which had levied a flat per-mile fee.

Part of the study's purpose would be to address concerns about electronic logging devices (ELDs). The study could identify ways to offset the cost of equipping ELDs, other sources of necessary data, or the appropriateness of a state-level requirement.

OPPONENTS
SAY:

CSHB 3469 could lead to the establishment of pavement consumption fee that could be an unfair burden on the trucking industry. Pavement consumption fees in other states had constituted a flat fee on miles traveled and have not taken into account differences between sections of highway and vehicles.

OTHER
OPPONENTS
SAY:

Pavement consumption fees should not be based off electronic logging devices (ELD). A pavement consumption fee based on ELD data would not capture a large portion of trucks because many trucks are exempt from the federal requirement. Furthermore, ELDs track trucks, not operators. In many cases trucks are operated by multiple entities, which could make it difficult to accurately and fairly assign fees.

NOTES:

According to the Legislative Budget Board, because the specific information technology requirements that would be necessary to implement the bill are unknown, the potential cost to the state cannot be determined at this time.