

Amend CSSB 279 as follows:

(1) On page 73, delete lines 20-32, and substitute the following therefor:

SECTION 28.089. Subsection (a), Section 7, Article 9035, Revised Statutes, is amended to read as follows:

(a) To ensure the adequate performance of a warrantor's obligations to a consumer, each warrantor shall comply with financial security requirements by:

(1) insuring its vehicle protection products under a reimbursement insurance policy issued by an insurer authorized to engage in the business of insurance in this state or under a surplus lines insurance policy issued by an insurer eligible to place coverage in this state as regulated under Chapter 981 [~~Article 1.14-2~~], Insurance Code; or

(2) providing any other form of comparable financial security approved by the executive director [~~commissioner~~].

(b) The department may not require any other financial security requirements or financial standards for warrantors.

(c) Vehicle protection services must abide by the financial responsibility requirements provided by Chapter 686, Transportation Code. The department may coordinate with the Texas Department of Insurance to assure consistency with the standard proof of motor vehicle liability insurance form prescribed by 601.081, Transportation Code.

(2) On page 74, line 30, insert new Articles 30 and 31 to read as follows:

ARTICLE 30. SECTION 30.01. Section 2, Article 9035, Revised Statutes, is amended by adding a new Subsection 10 to read as follows:

(10) "Vehicle protection service" means a valet parking service as defined by Section 686.001(3), Transportation Code.

ARTICLE 31. VALET PARKING SERVICES

FINANCIAL RESPONSIBILITY

SECTION 31.01. Subtitle H, Title 7, Transportation Code, is amended by adding Chapter 686 to read as follows:

CHAPTER 686. VALET PARKING SERVICES

Sec. 686.001. DEFINITIONS. In this chapter:

(1) "Financial responsibility" means the ability to respond in damages for liability for an accident that:

(A) occurs after the effective date of the document evidencing the establishment of the financial responsibility; and

(B) arises out of the operation of a motor vehicle by an employee of a valet parking service.

(2) "Public accommodation" means any:

(A) inn, hotel, or motel;

(B) restaurant, cafeteria, or other facility principally engaged in selling food for consumption on the premises;

(C) bar, nightclub, or other facility engaged in selling alcoholic beverages for consumption on the premises;

(D) motion picture house, theater, concert hall, stadium, or other place of exhibition or entertainment; or

(E) other facility used by or open to members of the public.

(3) "Valet parking service" means a parking service through which the motor vehicles of patrons of a public accommodation are parked for a fee by a third party who is not an employee of the public accommodation.

Sec. 686.002. REQUIREMENT OF FINANCIAL RESPONSIBILITY FOR VALET PARKING SERVICES. A person may not operate a valet parking service unless financial responsibility for each employee who operates a motor vehicle for the service is established through:

(1) a motor vehicle liability or comprehensive general liability and garage insurance policy in an amount established by Section 686.004;

(2) a surety bond filed under Section 601.121; or

(3) a deposit in the amount of \$450,000 under Section 601.122, notwithstanding any other amount prescribed by that section.

Sec. 686.003. EVIDENCE OF FINANCIAL RESPONSIBILITY. (a) The owner or operator of a valet parking service shall provide evidence of financial responsibility in the same manner as required

under Section 601.053.

(b) In addition to complying with Subsection (a), an owner or operator of a valet parking service shall exhibit, for public inspection, evidence of financial responsibility at a public accommodation whose patrons use the service.

Sec. 686.004. MINIMUM COVERAGE AMOUNTS. (a) The minimum amounts of motor vehicle liability insurance coverage required to establish financial responsibility under this chapter are:

(1) \$100,000 for bodily injury to or death of one person in one accident;

(2) \$300,000 for bodily injury to or death of two or more persons in one accident, subject to the amount provided by Subdivision (1) for bodily injury to or death of one of the persons; and

(3) \$50,000 for damage to or destruction of property of others in one accident.

(b) The comprehensive general liability insurance must be on a broad form and provide limits of liability for bodily injury and property damage of not less than \$300,000 combined single limit, or the equivalent.

(c) The garage insurance must provide limits of liability for bodily injury and property damage of not less than \$300,000 combined single limit, or the equivalent, and must provide the following coverages:

(1) comprehensive and collision coverage for physical damage;

(2) coverage for vehicle storage; and

(3) coverage for a vehicle driven by or at the direction of the valet parking service.

Sec. 686.005. COMMON LAW DEFENSES. In an action against an owner or operator of a valet parking service that has not established financial responsibility as required by this chapter to recover damages for personal injuries, death, or property damage sustained in a motor vehicle accident arising out of the operation of a valet parking service, it is not a defense that the party who brings the action:

(1) was guilty of contributory negligence; or

(2) assumed the risk of injury, death, or property damage.

Sec. 686.006. OPERATION OF MOTOR VEHICLE IN VIOLATION OF FINANCIAL RESPONSIBILITY REQUIREMENT; OFFENSE. (a) A person commits an offense if the person, while in the course and scope of the person's employment with a valet parking service, operates a motor vehicle of a patron of the service without the financial responsibility required by this chapter.

(b) Except as provided by Subsections (c) and (d), an offense under this section is a misdemeanor punishable by a fine of not less than \$175 or more than \$350.

(c) If a person has been previously convicted of an offense under this section, an offense under this section is a misdemeanor punishable by a fine of not less than \$350 or more than \$1,000.

(d) If the court determines that a person who has not been previously convicted of an offense under this section is economically unable to pay the fine, the court may reduce the fine to not less than \$175.

Sec. 686.007. DEFENSE: FINANCIAL RESPONSIBILITY IN EFFECT AT TIME OF ALLEGED OFFENSE. It is a defense to prosecution under Section 686.002 that the person charged produces one of the documents listed in Section 601.053 that was valid at the time the offense is alleged to have occurred.