

AN ACT

relating to the settlement of certain claims against the Texas Department of Transportation.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 201.106, Transportation Code, is amended to read as follows:

Sec. 201.106. SETTLEMENT OF CLAIMS; PURCHASE OF LIABILITY INSURANCE. (a) This section applies to a claim against [~~The commission may insure the officers and employees of~~] the department [~~from liability~~] arising from the use, operation, or maintenance of equipment that is used or may be used in connection with the laying out, construction, or maintenance of the roads, highways, rest areas, or other public grounds in this state.

(b) The department may settle a claim described by Subsection (a) if:

(1) the department may be liable under Chapter 101, Civil Practice and Remedies Code;

(2) the director determines that a settlement is in the best interest of the department; and

(3) the department's liability under the terms of the settlement is less than \$10,000.

(c) Section 101.105, Civil Practice and Remedies Code, does not apply to a settlement under this section.

(d) Settlement of a claim under this section bars any action

1 involving the same subject matter by the claimant against the  
2 department employees whose act or omission gave rise to the claim.

3 (e) The department may insure the officers and employees of  
4 the department for liability arising from a claim described by  
5 Subsection (a). Coverage under this subsection [~~section~~] must be  
6 provided by the purchase of a policy of liability insurance from a  
7 reliable insurance company authorized to do business in this state.  
8 The form of the policy must be approved by the commissioner of  
9 insurance, and the coverage must be approved by the attorney  
10 general.

11 (f) [~~(e)~~] This section is not a waiver of immunity of the  
12 state from liability for the torts or negligence of an officer or  
13 employee of this state.

14 (g) [~~(d)~~] In this section, "equipment" includes an  
15 automobile, motor truck, trailer, aircraft, motor grader, roller,  
16 tractor, tractor power mower, and other power equipment.

17 SECTION 2. (a) This Act takes effect immediately if it  
18 receives a vote of two-thirds of all the members elected to each  
19 house, as provided by Section 39, Article III, Texas Constitution.  
20 If this Act does not receive the vote necessary for immediate  
21 effect, this Act takes effect September 1, 2003.

22 (b) This Act applies only to a cause of action that accrues  
23 on or after the effective date of this Act. A cause of action that  
24 accrues before the effective date of this Act is governed by the law  
25 in effect immediately before the effective date of this Act, and the  
26 former law is continued in effect for that purpose.

S.B. No. 724

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I hereby certify that S.B. No. 724 passed the Senate on March 27, 2003, by the following vote: Yeas 31, Nays 0.

\_\_\_\_\_  
Secretary of the Senate

I hereby certify that S.B. No. 724 passed the House on May 1, 2003, by the following vote: Yeas 144, Nays 0, one present not voting.

\_\_\_\_\_  
Chief Clerk of the House

Approved:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor