By: Madden H.B. No. 2399

Substitute the following for H.B. No. 2399:

By: West C.S.H.B. No. 2399

A BILL TO BE ENTITLED

1 AN ACT

- 2 relating to liability for damages caused by a leak from or a
- 3 malfunction or the improper operation or modification of a
- 4 liquefied petroleum gas system or related equipment.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 6 SECTION 1. Section 113.301, Natural Resources Code, is
- 7 amended to read as follows:
- 8 Sec. 113.301. LIMITATION OF LIABILITY OF LICENSED INSTALLER
- 9 OR SERVICER. A person is not liable for damages caused [solely] by
- 10 a <u>leak from</u>, a malfunction <u>of</u>, or <u>the</u> improper operation of an LPG
- 11 system or any part of an LPG system that the person delivered for
- 12 <u>installation</u> in but did not install or service or that the person
- 13 installed or serviced in a residential, commercial, or public
- 14 building or in a motor vehicle if:
- 15 (1) the person was licensed by the commission to
- 16 perform the delivery, installation, or service;
- 17 (2) the <u>delivery</u>, installation, or service was
- 18 performed in compliance with the safety rules and standards adopted
- 19 by the commission;
- 20 (3) the person <u>did not have</u> [has no] control over the
- 21 operation or use of the LPG system in the premises of the building
- 22 <u>in which it was installed or in the vehicle in which it was</u>
- 23 installed;
- 24 (4) the person was not negligent; and

- 1 (5) the person did not supply a defective product that 2 [which] was a producing cause of harm.
- 3 SECTION 2. Subchapter K, Chapter 113, Natural Resources
- 4 Code, is amended by adding Sections 113.302-113.304 to read as
- 5 follows:
- 6 Sec. 113.302. LIMITATION OF LIABILITY IF SYSTEM MODIFIED.
- 7 A person who is not otherwise responsible under Section 113.301 is
- 8 not liable for damages caused, in whole or in part, by another
- 9 person's modification of an LPG system, piping or other equipment
- 10 that is part of a system, or an appliance that is connected or
- 11 attached to a system, if the person has no knowledge of the other
- 12 person's modification of the LPG system, piping or other equipment,
- or appliance.
- 14 Sec. 113.303. INVOICE NOT CONCLUSIVE PROOF OF KNOWLEDGE OF
- 15 LEAKAGE. For purposes of determining liability for harm caused by
- 16 LPG leakage, the invoice for LPG delivered presented by a person who
- 17 provides LP-gas service for an LPG system or who delivers LPG to the
- 18 system may be considered by the fact finder for purposes of
- 19 determining whether the person knew that the system was leaking but
- 20 is not conclusive proof that the person knew of the leakage.
- 21 Sec. 113.304. CONSTRUCTION OF SUBCHAPTER. This subchapter
- 22 may not be construed to:
- 23 <u>(1) exempt a person from complying with the</u>
- 24 requirements of this chapter or commission rules; or
- 25 (2) limit the authority of the commission to
- 26 administer or ensure compliance with this chapter or commission
- 27 rules.

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SECTION 3. This Act applies only to a cause of action that accrues on or after the effective date of this Act. A cause of action that accrued before the effective date of this Act is covered by the law in effect when the cause of action accrued, and that law is continued in effect for that purpose.

SECTION 4. Section 113.301, Natural Resources Code, as amended by this Act, and Sections 113.302-113.304, Natural Resources Code, as added by this Act, are an exercise of authority under Section 66(c), Article III, Texas Constitution, and take effect only if this Act receives a vote of three-fifths of all the members elected to each house, as provided by Subsection (e) of that section.

SECTION 5. 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, 2005.