

AN ACT

relating to insurance and regulatory requirements for certain amusement rides.

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

SECTION 1. Subsection (a), Section 2151.101, Occupations Code, is amended to read as follows:

(a) A person may not operate an amusement ride unless the person:

(1) has had the amusement ride inspected at least once a year by an insurer or a person with whom the insurer has contracted;

(2) obtains a written certificate from the insurer or person with whom the insurer has contracted stating that the amusement ride:

(A) has been inspected;

(B) meets the standards for insurance coverage;

and

(C) is covered by the insurance required by Subdivision (3);

(3) has a combined single limit or split limit ~~an~~ insurance policy currently in effect written by an insurance company authorized to do business in this state or by a surplus lines insurer, as defined by Chapter 981, Insurance Code, or has an independently procured policy subject to Chapter 101, Insurance

1 Code, insuring the owner or operator against liability for injury
2 to persons arising out of the use of the amusement ride in an amount
3 of not less than:

4 (A) for Class A amusement rides:
5 (i) \$100,000 bodily injury and \$50,000
6 property damage per occurrence with a \$300,000 annual aggregate; or
7 (ii) a \$150,000 per occurrence combined
8 single limit with a \$300,000 annual aggregate [~~for Class A~~
9 ~~amusement rides~~]; and

10 (B) for Class B amusement rides:
11 (i) \$1,000,000 bodily injury and \$500,000
12 property damage per occurrence; or
13 (ii) \$1,500,000 per occurrence combined
14 single limit [~~for Class B amusement rides~~];

15 (4) files with the commissioner, as required by this
16 chapter, the inspection certificate and the insurance policy or a
17 photocopy of the certificate or policy authorized by the
18 commissioner; and

19 (5) files with each sponsor, lessor, landowner, or
20 other person responsible for the amusement ride being offered for
21 use by the public a photocopy of the inspection certificate and the
22 insurance policy required by this subsection.

23 SECTION 2. Subdivision (1), Section 2151.002, Occupations
24 Code, is amended to read as follows:

25 (1) "Amusement ride" means a mechanical device that
26 carries passengers along, around, or over a fixed or restricted
27 course or within a defined area for the purpose of giving the

1 passengers amusement, pleasure, or excitement. The term does not
2 include:

3 (A) a coin-operated ride that:

4 (i) is manually, mechanically, or
5 electrically operated;

6 (ii) is customarily placed in a public
7 location; and

8 (iii) does not normally require the
9 supervision or services of an operator; ~~or~~

10 (B) nonmechanized playground equipment,
11 including a swing, seesaw, stationary spring-mounted animal
12 feature, rider-propelled merry-go-round, climber, playground
13 slide, trampoline, and physical fitness device; or

14 (C) a challenge course or any part of a challenge
15 course if the person who operates the challenge course has an
16 insurance policy currently in effect written by an insurance
17 company authorized to do business in this state or by a surplus
18 lines insurer, as defined by Chapter 981, Insurance Code, or has an
19 independently procured policy subject to Chapter 101, Insurance
20 Code, insuring the operator against liability for injury to persons
21 arising out of the use of the challenge course, in an amount not
22 less than:

23 (i) for facilities with a fixed location:

24 (a) \$100,000 bodily injury and
25 \$50,000 property damage per occurrence, with a \$300,000 annual
26 aggregate; or

27 (b) a \$150,000 per occurrence

1 combined single limit, with a \$300,000 annual aggregate; and
2 (ii) for facilities other than those with a
3 fixed location:

4 (a) \$1,000,000 bodily injury and
5 \$500,000 property damage per occurrence; or

6 (b) \$1,500,000 per occurrence
7 combined single limit.

8 SECTION 3. This Act applies only to an insurance policy,
9 certificate, or contract delivered, issued for delivery, or renewed
10 on or after January 1, 2006. A policy, certificate, or contract
11 delivered, issued for delivery, or renewed before January 1, 2006,
12 is governed by the law as it existed immediately before the
13 effective date of this Act, and that law is continued in effect for
14 that purpose.

15 SECTION 4. This Act takes effect September 1, 2005.

S.B. No. 1282

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 1282 passed the Senate on April 22, 2005, by the following vote: Yeas 28, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 1282 passed the House on May 25, 2005, by a non-record vote.

Chief Clerk of the House

Approved:

Date

Governor