

1-1 By: Armbrister S.B. No. 1282
1-2 (In the Senate - Filed March 9, 2005; March 21, 2005, read
1-3 first time and referred to Committee on Business and Commerce;
1-4 April 11, 2005, reported adversely, with favorable Committee
1-5 Substitute by the following vote: Yeas 9, Nays 0; April 11, 2005,
1-6 sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 1282 By: Armbrister

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to insurance and regulatory requirements for certain
1-11 amusement rides.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Subsection (a), Section 2151.101, Occupations
1-14 Code, is amended to read as follows:

1-15 (a) A person may not operate an amusement ride unless the
1-16 person:

1-17 (1) has had the amusement ride inspected at least once
1-18 a year by an insurer or a person with whom the insurer has
1-19 contracted;

1-20 (2) obtains a written certificate from the insurer or
1-21 person with whom the insurer has contracted stating that the
1-22 amusement ride:

1-23 (A) has been inspected;

1-24 (B) meets the standards for insurance coverage;

1-25 and

1-26 (C) is covered by the insurance required by
1-27 Subdivision (3);

1-28 (3) has a combined single limit or split limit [an]
1-29 insurance policy currently in effect written by an insurance
1-30 company authorized to do business in this state or by a surplus
1-31 lines insurer, as defined by Chapter 981, Insurance Code, or has an
1-32 independently procured policy subject to Chapter 101, Insurance
1-33 Code, insuring the owner or operator against liability for injury
1-34 to persons arising out of the use of the amusement ride in an amount
1-35 of not less than:

1-36 (A) for Class A amusement rides:

1-37 (i) \$100,000 bodily injury and \$50,000
1-38 property damage per occurrence with a \$300,000 annual aggregate; or

1-39 (ii) a \$150,000 per occurrence combined
1-40 single limit with a \$300,000 annual aggregate [for Class A
1-41 amusement rides]; and

1-42 (B) for Class B amusement rides:

1-43 (i) \$1,000,000 bodily injury and \$500,000
1-44 property damage per occurrence; or

1-45 (ii) \$1,500,000 per occurrence combined
1-46 single limit [for Class B amusement rides];

1-47 (4) files with the commissioner, as required by this
1-48 chapter, the inspection certificate and the insurance policy or a
1-49 photocopy of the certificate or policy authorized by the
1-50 commissioner; and

1-51 (5) files with each sponsor, lessor, landowner, or
1-52 other person responsible for the amusement ride being offered for
1-53 use by the public a photocopy of the inspection certificate and the
1-54 insurance policy required by this subsection.

1-55 SECTION 2. Subdivision (1), Section 2151.002, Occupations
1-56 Code, is amended to read as follows:

1-57 (1) "Amusement ride" means a mechanical device that
1-58 carries passengers along, around, or over a fixed or restricted
1-59 course or within a defined area for the purpose of giving the
1-60 passengers amusement, pleasure, or excitement. The term does not
1-61 include:

1-62 (A) a coin-operated ride that:

1-63 (i) is manually, mechanically, or

2-1 electrically operated;

2-2 (ii) is customarily placed in a public
2-3 location; and

2-4 (iii) does not normally require the
2-5 supervision or services of an operator; ~~or~~

2-6 (B) nonmechanized playground equipment,
2-7 including a swing, seesaw, stationary spring-mounted animal
2-8 feature, rider-propelled merry-go-round, climber, playground
2-9 slide, trampoline, and physical fitness device; or

2-10 (C) a challenge course, which may include logs,
2-11 tires, platforms, beams, bridges, poles, ladders, nets, climbing
2-12 walls, climbing towers, traverses, cabled events, swings, or zip
2-13 lines, that is constructed and used for educational purposes. This
2-14 does not include devices that are constructed or used for
2-15 pay-for-play.

2-16 SECTION 3. This Act applies only to an insurance policy,
2-17 certificate, or contract delivered, issued for delivery, or renewed
2-18 on or after January 1, 2006. A policy, certificate, or contract
2-19 delivered, issued for delivery, or renewed before January 1, 2006,
2-20 is governed by the law as it existed immediately before the
2-21 effective date of this Act, and that law is continued in effect for
2-22 that purpose.

2-23 SECTION 4. This Act takes effect September 1, 2005.

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