

AN ACT

relating to the liability insurance requirements for certain amusement rides.

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

SECTION 1. Section 2151.101, Occupations Code, is amended by amending Subsection (a) and adding Subsection (c) 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) except as provided by Section 2151.1011, has a combined single limit or split limit 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,

1 Insurance Code, or has an independently procured policy subject to  
2 Chapter 101, Insurance Code, insuring the owner or operator against  
3 liability for injury to persons arising out of the use of the  
4 amusement ride in an amount of not less than:

5 (A) for Class A amusement rides:

6 (i) \$100,000 bodily injury and \$50,000  
7 property damage per occurrence with a \$300,000 annual aggregate; or

8 (ii) a \$150,000 per occurrence combined  
9 single limit with a \$300,000 annual aggregate; 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;

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 (c) A local government may satisfy the insurance  
24 requirement prescribed by Subsection (a) by obtaining liability  
25 coverage through an interlocal agreement.

26 SECTION 2. Subchapter C, Chapter 2151, Occupations Code, is  
27 amended by adding Section 2151.1011 to read as follows:

1           Sec. 2151.1011. LIABILITY INSURANCE FOR CERTAIN AMUSEMENT  
2 RIDES. (a) This section only applies to a Class B amusement ride  
3 that:

4           (1) consists of a motorized vehicle that tows one or  
5 more separate passenger cars in a manner similar to a train, but  
6 without regard to whether the vehicle and cars operate on a fixed  
7 track or course;

8           (2) does not travel under its own power in excess of  
9 five miles per hour;

10           (3) has safety belts for all passengers;

11           (4) does not run on an elevated track;

12           (5) has passenger seating areas enclosed by guardrails  
13 or doors; and

14           (6) does not have passenger cars that rotate  
15 independently from the motorized vehicle.

16           (b) A person may not operate an amusement ride described by  
17 Subsection (a) unless the person has an insurance policy currently  
18 in effect written by an insurance company authorized to conduct  
19 business in this state or by a surplus lines insurer, as defined by  
20 Chapter 981, Insurance Code, or has an independently procured  
21 policy subject to Chapter 101, Insurance Code, insuring the owner  
22 or operator against liability for injury to persons arising out of  
23 the use of the amusement ride in an amount of not less than \$1  
24 million in aggregate for all liability claims occurring in a policy  
25 year.

26           (c) A local government may satisfy the insurance  
27 requirement prescribed by Subsection (b) by obtaining liability

1 coverage through an interlocal agreement.

2 SECTION 3. This Act takes effect immediately if it receives  
3 a vote of two-thirds of all the members elected to each house, as  
4 provided by Section 39, Article III, Texas Constitution. If this  
5 Act does not receive the vote necessary for immediate effect, this  
6 Act takes effect September 1, 2007.

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President of the Senate

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Speaker of the House

I certify that H.B. No. 1070 was passed by the House on April 12, 2007, by the following vote: Yeas 130, Nays 9, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 1070 on May 17, 2007, by the following vote: Yeas 142, Nays 0, 2 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 1070 was passed by the Senate, with amendments, on May 15, 2007, by the following vote: Yeas 31, Nays 0.

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Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

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Governor