

1-1 By: Laubenberg (Senate Sponsor - Estes) H.B. No. 1070  
1-2 (In the Senate - Received from the House April 16, 2007;  
1-3 April 17, 2007, read first time and referred to Committee on  
1-4 Business and Commerce; May 4, 2007, reported adversely, with  
1-5 favorable Committee Substitute by the following vote: Yeas 9,  
1-6 Nays 0; May 4, 2007, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR H.B. No. 1070 By: Estes

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

1-10 relating to the liability insurance requirements for certain  
1-11 amusement rides.

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

1-13 SECTION 1. Section 2151.101, Occupations Code, is amended  
1-14 by amending Subsection (a) and adding Subsection (c) to read as  
1-15 follows:

1-16 (a) A person may not operate an amusement ride unless the  
1-17 person:

1-18 (1) has had the amusement ride inspected at least once  
1-19 a year by an insurer or a person with whom the insurer has  
1-20 contracted;

1-21 (2) obtains a written certificate from the insurer or  
1-22 person with whom the insurer has contracted stating that the  
1-23 amusement ride:

1-24 (A) has been inspected;

1-25 (B) meets the standards for insurance coverage;

1-26 and

1-27 (C) is covered by the insurance required by  
1-28 Subdivision (3);

1-29 (3) except as provided by Section 2151.1011, has a  
1-30 combined single limit or split limit insurance policy currently in  
1-31 effect written by an insurance company authorized to do business in  
1-32 this state or by a surplus lines insurer, as defined by Chapter 981,  
1-33 Insurance Code, or has an independently procured policy subject to  
1-34 Chapter 101, Insurance Code, insuring the owner or operator against  
1-35 liability for injury to persons arising out of the use of the  
1-36 amusement ride in an amount of not less than:

1-37 (A) for Class A amusement rides:

1-38 (i) \$100,000 bodily injury and \$50,000  
1-39 property damage per occurrence with a \$300,000 annual aggregate; or

1-40 (ii) a \$150,000 per occurrence combined  
1-41 single limit with a \$300,000 annual aggregate; 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;

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 (c) A local government may satisfy the insurance  
1-56 requirement prescribed by Subsection (a) by obtaining liability  
1-57 coverage through an interlocal agreement.

1-58 SECTION 2. Subchapter C, Chapter 2151, Occupations Code, is  
1-59 amended by adding Section 2151.1011 to read as follows:

1-60 Sec. 2151.1011. LIABILITY INSURANCE FOR CERTAIN AMUSEMENT  
1-61 RIDES. (a) This section only applies to a Class B amusement ride  
1-62 that:

1-63 (1) consists of a motorized vehicle that tows one or

2-1 more separate passenger cars in a manner similar to a train, but  
2-2 without regard to whether the vehicle and cars operate on a fixed  
2-3 track or course;

2-4 (2) does not travel under its own power in excess of  
2-5 five miles per hour;

2-6 (3) has safety belts for all passengers;

2-7 (4) does not run on an elevated track;

2-8 (5) has passenger seating areas enclosed by guardrails  
2-9 or doors; and

2-10 (6) does not have passenger cars that rotate  
2-11 independently from the motorized vehicle.

2-12 (b) A person may not operate an amusement ride described by  
2-13 Subsection (a) unless the person has an insurance policy currently  
2-14 in effect written by an insurance company authorized to conduct  
2-15 business in this state or by a surplus lines insurer, as defined by  
2-16 Chapter 981, Insurance Code, or has an independently procured  
2-17 policy subject to Chapter 101, Insurance Code, insuring the owner  
2-18 or operator against liability for injury to persons arising out of  
2-19 the use of the amusement ride in an amount of not less than \$1  
2-20 million in aggregate for all liability claims occurring in a policy  
2-21 year.

2-22 (c) A local government may satisfy the insurance  
2-23 requirement prescribed by Subsection (b) by obtaining liability  
2-24 coverage through an interlocal agreement.

2-25 SECTION 3. This Act takes effect immediately if it receives  
2-26 a vote of two-thirds of all the members elected to each house, as  
2-27 provided by Section 39, Article III, Texas Constitution. If this  
2-28 Act does not receive the vote necessary for immediate effect, this  
2-29 Act takes effect September 1, 2007.

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