

SENATE AMENDMENTS

2nd Printing

By: Laubenberg

H.B. No. 1070

A BILL TO BE ENTITLED

AN ACT

relating to the liability insurance requirements for certain amusement rides that operate in a manner similar to a train.

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

SECTION 1. Section 2151.101(a), 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) 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, Insurance Code, or has an independently procured policy subject to

Chapter 101, Insurance Code, insuring the owner or operator against liability for injury to persons arising out of the use of the amusement ride in an amount of not less than:

(A) for Class A amusement rides:

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

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

(B) for Class B amusement rides:

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

(ii) \$1,500,000 per occurrence combined single limit;

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

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

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

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

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

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

7 (3) has safety belts for all passengers;

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

9 (5) has passenger seating areas enclosed by guardrails
10 or doors; and

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

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

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

ADOPTED

MAY 15 2007

Latay Shaw
Secretary of the Senate

By: Laubenberg/
Estes

H.B. No. 1070

Substitute the following for __.B. No. ____:

By: *Craig Estes*

C.S. __.B. No. ____

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the liability insurance requirements for certain
3 amusement rides.

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

5 SECTION 1. Section 2151.101, Occupations Code, is amended by
6 amending Subsection (a) and adding Subsection (c) to read as
7 follows:

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

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

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

16 (A) has been inspected;

17 (B) meets the standards for insurance coverage; and

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

20 (3) except as provided by Section 2151.1011, has a
21 combined single limit or split limit insurance policy currently in

1 effect written by an insurance company authorized to do business in
2 this state or by a surplus lines insurer, as defined by Chapter
3 981, Insurance Code, or has an independently procured policy
4 subject to Chapter 101, Insurance Code, insuring the owner or
5 operator against liability for injury to persons arising out of the
6 use of the amusement ride in an amount of not less than:

7 (A) for Class A amusement rides:

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

10 (ii) a \$150,000 per occurrence combined single
11 limit with a \$300,000 annual aggregate; and

12 (B) for Class B amusement rides:

13 (i) \$1,000,000 bodily injury and \$500,000
14 property damage per occurrence; or

15 (ii) \$1,500,000 per occurrence combined single
16 limit;

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

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

25 (c) A local government may satisfy the insurance requirement

1 prescribed by Subsection (a) by obtaining liability coverage
2 through an interlocal agreement.

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

5 Sec. 2151.1011. LIABILITY INSURANCE FOR CERTAIN AMUSEMENT
6 RIDES. (a) This section only applies to a Class B amusement ride
7 that:

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

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

14 (3) has safety belts for all passengers;

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

16 (5) has passenger seating areas enclosed by guardrails
17 or doors; and

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

20 (b) A person may not operate an amusement ride described by
21 Subsection (a) unless the person has an insurance policy currently
22 in effect written by an insurance company authorized to conduct
23 business in this state or by a surplus lines insurer, as defined by
24 Chapter 981, Insurance Code, or has an independently procured
25 policy subject to Chapter 101, Insurance Code, insuring the owner

1 or operator against liability for injury to persons arising out of
2 the use of the amusement ride in an amount of not less than \$1
3 million in aggregate for all liability claims occurring in a policy
4 year.

5 (c) A local government may satisfy the insurance requirement
6 prescribed by Subsection (b) by obtaining liability coverage
7 through an interlocal agreement.

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

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 2, 2007

TO: Honorable Troy Fraser, Chair, Senate Committee on Business & Commerce

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: **HB1070** by Laubenberg (Relating to the liability insurance requirements for certain amusement rides.), **Committee Report 2nd House, Substituted**

No fiscal implication to the State is anticipated.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 454 Department of Insurance

LBB Staff: JOB, CL, JRO, MW, SK

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 19, 2007

TO: Honorable Troy Fraser, Chair, Senate Committee on Business & Commerce

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1070 by Laubenberg (Relating to the liability insurance requirements for certain amusement rides that operate in a manner similar to a train.), **As Engrossed**

No fiscal implication to the State is anticipated.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 454 Department of Insurance

LBB Staff: JOB, CL, JRO, MW, SK

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 14, 2007

TO: Honorable John T. Smithee, Chair, House Committee on Insurance

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1070 by Laubenberg (Relating to the liability insurance requirements for certain amusement rides that operate in a manner similar to a train.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 454 Department of Insurance

LBB Staff: JOB, JRO, MW, SK

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1 of 1

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 4, 2007

TO: Honorable John T. Smithee, Chair, House Committee on Insurance

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1070 by Laubenberg (Relating to the liability insurance requirements for certain amusement rides that operate in a manner similar to a train.), **As Introduced**

No fiscal implication to the State is anticipated.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 454 Department of Insurance

LBB Staff: JOB, JRO, MW, SK