

1-1 By: Lucio III (Senate Sponsor - Lucio) H.B. No. 1814  
1-2 (In the Senate - Received from the House April 18, 2011;  
1-3 April 20, 2011, read first time and referred to Committee on  
1-4 Natural Resources; May 12, 2011, reported adversely, with  
1-5 favorable Committee Substitute by the following vote: Yeas 10,  
1-6 Nays 0; May 12, 2011, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR H.B. No. 1814 By: Fraser

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

1-10 relating to the provision of water and certain equipment by water  
1-11 supply or sewer service corporations for use in fire suppression  
1-12 and the liability of those corporations.

1-13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-14 SECTION 1. Section 67.0105, Water Code, is amended to read  
1-15 as follows:

1-16 Sec. 67.0105. ~~[CONTRACT FOR]~~ WATER FOR FIRE SUPPRESSION.

1-17 (a) A corporation may provide a water supply to a governmental  
1-18 entity or volunteer fire department for use in fire suppression.

1-19 (a-1) A corporation may enter into a contract with a  
1-20 governmental entity [municipality] or a volunteer fire department  
1-21 to supply water [either] to [municipally owned] fire hydrants owned  
1-22 by the governmental entity or the [or to] corporation [fire  
1-23 hydrants] for use in fire suppression by the governmental entity's  
1-24 [municipality's] fire department or a volunteer fire department.  
1-25 The contract must be under terms that are mutually beneficial to the  
1-26 contracting parties.

1-27 (b) The furnishing of a water supply and fire hydrant  
1-28 equipment by a governmental entity [municipality] or a volunteer  
1-29 fire department directly or through another entity by a lease,  
1-30 contract, or any other manner is an essential governmental function  
1-31 and not a proprietary function for all purposes, including the  
1-32 application of Chapter 101, Civil Practice and Remedies Code.

1-33 (c) A corporation that provides [contracts with] a  
1-34 governmental entity [municipality] or volunteer fire department  
1-35 with [to provide] a water supply or fire hydrant equipment to carry  
1-36 out the governmental function described by Subsection (b) may be  
1-37 liable for damages only to the extent that the governmental entity  
1-38 [municipality] or volunteer fire department would be liable if the  
1-39 governmental entity [municipality] or volunteer fire department  
1-40 were performing the governmental function directly.

1-41 SECTION 2. Section 341.0358, Health and Safety Code, is  
1-42 amended by adding Subsection (g) to read as follows:

1-43 (g) This section also applies to a municipality with a  
1-44 population of more than 36,000 and less than 41,000 located in two  
1-45 counties, one of which is a county with a population of more than  
1-46 1.8 million.

1-47 SECTION 3. The change in law made by this Act applies only  
1-48 to a cause of action that accrues on or after the effective date of  
1-49 this Act. A cause of action that accrues before the effective date  
1-50 of this Act is governed by the law in effect immediately before that  
1-51 date, and that law is continued in effect for that purpose.

1-52 SECTION 4. This Act takes effect September 1, 2011.

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