BILL ANALYSIS

C.S.H.B. 278 By: Craddick Judiciary & Civil Jurisprudence Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties note that private companies are relocating to Texas to research, develop, and launch commercial space flights and that some local governments are partnering with these commercial space flight companies in an effort to diversify economic development. Under current law, a municipality is liable only to the extent permitted under the Texas Tort Claims Act when engaged in a governmental function, a term that includes airports. However, that act does not expressly include a municipal airport used for space flight activities as a governmental function. C.S.H.B. 278 seeks to promote the development of a commercial space launch industry in Texas by addressing municipal liability under the Texas Tort Claims Act.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 278 amends the Civil Practice and Remedies Code to include damages arising from the use of an airport for space flight activities among the damages arising from a municipality's governmental functions for which the municipality is liable under the Texas Tort Claims Act. The bill establishes that the common law doctrine of vicarious liability because of participation in a joint enterprise does not impose liability for a claim brought on a municipality with respect to the use of a municipal airport for space flight activities, unless the municipality would otherwise be liable under the Texas Tort Claims Act. The bill specifies that provisions relating to governmental liability with respect to participation in a joint enterprise do not affect a limitation on liability or damages provided under the Texas Tort Claims Act, including a limitation on the amount of tort liability of the state government.

EFFECTIVE DATE

September 1, 2013.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 278 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and highlighted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Section 101.0215(a), Civil Practice and Remedies Code, is amended.

SECTION 1. Same as introduced version.

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Substitute Document Number: 83R 13685

SECTION 2. Section 101.0211, Civil Practice and Remedies Code, is amended to read as follows:

Sec. 101.0211. NO LIABILITY FOR JOINT ENTERPRISE. The common law doctrine of vicarious liability because of participation in a joint enterprise does not impose liability for a claim brought under this chapter on:

(1) a water district created pursuant to either Sections 52(b)(1) and (2), Article III, or Section 59, Article XVI, Texas Constitution, regardless of how created; or (2) a municipality with respect to the use of a municipal airport for space flight activities as defined by Section 100A.001[, for a elaim brought under this chapter].

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

SECTION 4. This Act takes effect September 1, 2013.

SECTION 2. Section 101.0211, Civil Practice and Remedies Code, is amended to read as follows:

Sec. 101.0211. NO LIABILITY FOR JOINT ENTERPRISE. (a) The common law doctrine of vicarious liability because of participation in a joint enterprise does not impose liability for a claim brought under this chapter on:

(1) a water district created pursuant to either Sections 52(b)(1) and (2), Article III, or Section 59, Article XVI, Texas Constitution, regardless of how created; or (2) a municipality with respect to the use of a municipal airport for space flight activities as defined by Section 100A.001 unless the municipality would otherwise be liable under Section 101.021.

(b) This section does not affect a limitation on liability or damages provided by this chapter, including a limitation under Section 101.023[, for a claim brought under this chapter].

SECTION 3. Same as introduced version.

SECTION 4. Same as introduced version.