By:  Alvarado, et al. S.B. No. 1575

(Krause)

A BILL TO BE ENTITLED

AN ACT

relating to governmental immunity for and adjudication of claims arising from a local governmental entity's disaster recovery contract.

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

SECTION 1.  Title 5, Civil Practice and Remedies Code, is amended by adding Chapter 115 to read as follows:

CHAPTER 115. MUNICIPAL LIABILITY

Sec. 115.0001.  DISASTER RECOVERY AS GOVERNMENTAL FUNCTION. (a)  A municipality performs a governmental function if, after a declaration of a disaster under Section 418.014, Government Code, the municipality enters into a contract for a purpose related to disaster recovery or takes an action under that contract.

(b)  A municipality has governmental immunity to suit and from liability for a cause of action arising from a governmental function described by this section.

SECTION 2.  Subchapter I, Chapter 271, Local Government Code, is amended by adding Section 271.1515 to read as follows:

Sec. 271.1515.  APPLICABILITY OF SUBCHAPTER. This subchapter does not apply to a contract with a local governmental entity that:

(1)  arises from a declaration of a disaster under Section 418.014, Government Code; and

(2)  primarily spends state or federal funds on goods and services that:

(A)  benefit private citizens or private property located in the entity in recovering from the disaster; and

(B)  do not benefit the entity.

SECTION 3.  Section 115.0001, Civil Practice and Remedies Code, as added by this Act, and Section 271.1515, Local Government Code, as added by this Act, apply only to a contract entered into or action taken under the contract on or after the effective date of this Act.

SECTION 4.  This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2019.