

BILL ANALYSIS

Senate Research Center
76R10272 SMJ-D

C.S.H.B. 3207
By: Ramsay (Madla)
Jurisprudence
5/11/1999
Committee Report (Substituted)

DIGEST

Currently, Texas law requires all district clerks to obtain errors and omissions insurance or similar coverage from a governmental pool operating under Chapter 119, Local Government Code, and requires a district or deputy clerk to obtain a separate policy to cover losses due to burglary and other enumerated occurrences. The language of the law does not recognize the use of self-insurance funds, also known as governmental and intergovernmental pools, or risk retention groups authorized under Article 715c, V.T.C.S. This bill would authorize a clerk to obtain coverage issued by a governmental unit under Article 715c, V.T.C.S., and provide that both types of required coverage are addressed in Section 51.302, and increase the minimum amount of coverage a clerk is required to purchase.

PURPOSE

As proposed, C.S.H.B. 3207 revises the requirements for insurance coverage for district clerks.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 51.302(c), (d), (e), and (f), Government Code, to require each district clerk to obtain an insurance policy from a self-insurance fund or risk retention group created by one or more governmental units under Chapter 1084, Acts of the 70th Legislature, Regular Session, 1987 (Article 715c, V.T.C.S.) (self-insurance fund). Requires the amount of the policy or other coverage document to be equal, rather than in an amount equal, to the maximum amount of fees collected in any year during the term of office immediately preceding the term for which the insurance is obtained, except that the amount is required to be at least \$20,000, but not more than \$700,000, rather than being prohibited from being less than \$10,000. Requires each district clerk to obtain an insurance policy or similar coverage from a governmental pool operating under Chapter 119, Local Government Code, or from a self-insurance fund, to cover the losses from burglary, theft, robbery, counterfeit currency, or destruction. Requires the amount of the policy or other coverage document to be at least \$20,000 but more than \$700,000. Authorizes a commissioners court to establish a contingency fund to provide the coverage required by Subsection (d). Deletes a provision requiring each district clerk to obtain an insurance policy. Makes conforming changes.

SECTION 2. Emergency clause.
Effective date: upon passage.

SUMMARY OF COMMITTEE CHANGES

SECTION 1.

Amends Section 51.302, Government Code, by amending Subsections (c) - (f), to require each district clerk to obtain an insurance policy from a self-insurance fund. Requires the amount of the policy or other coverage document to be equal to the maximum amount of fees collected in any year during the term of office immediately preceding the term for which the insurance is obtained, except that the amount is required to be at least \$20,000, but not more than \$700,000. Requires each district clerk to obtain an insurance policy or similar coverage from a governmental pool

operating under Chapter 119, Local Government Code, or from a self-insurance fund, to cover the losses from burglary, theft, robbery, counterfeit currency, or destruction. Requires the amount of the policy or other coverage document to be at least \$20,000 but more than \$700,000. Authorizes a commissioners court to establish a contingency fund to provide the coverage required by Subsection (d). Deletes text regarding insurance to cover the district clerk and any deputy clerk against losses from burglary, theft, robbery, counterfeit currency, or destruction. Deletes a provision requiring each district clerk to obtain an insurance policy. Deletes proposed SECTION 2. Makes conforming changes.