

BILL ANALYSIS

Senate Research Center
79R10214 MXM-F

H.B. 1587
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Intergovernmental Relations
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Engrossed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Since 1969, the State of Texas has subjected itself and local governments to certain liabilities under the Texas Tort Claims Act. If an injury is caused by a negligent governmental employee acting within the scope of official duties and using governmental property, a state or municipal governmental entity may be found liable up to an amount of \$250,000 per person, \$500,000 per occurrence for personal injuries and \$100,000 for injury or destruction of property. A local governmental entity or emergency services provider may be liable up to an amount of \$100,000 for injury or destruction of property. Legislators set those liability limits at a level they felt to be high enough to provide meaningful compensation to injured citizens but not so high as to threaten governmental entities and taxpayers with bankruptcy from excessive verdicts.

H.B. 1587 affirms that the legal liability of the Downtown Midland Management District is limited to the liability the Legislature imposed on governmental entities when it passed the Texas Tort Claims Act. A number of recent rulings have raised the possibility that the Texas Supreme Court will rule that certain simple language in the district's enabling legislation should be interpreted as a waiver of all governmental immunities. H.B. 1587 reaffirms the legislature's intent, to give the district the basic governmental immunity of the Texas Tort Claims Act.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 7(a), Chapter 1160, Acts of the 78th Legislature, Regular Session, 2003, to provide that the application of Chapter 375 (Municipal Management Districts in General), Local Government Code, to the Downtown Midland Management District (district) does not waive sovereign or other governmental immunity for the district, except as provided by Chapter 101 (Tort Claims), Civil Practice and Remedies Code.

SECTION 2. Amends Chapter 1160, Acts of the 78th Legislature, Regular Session, 2003, by adding Sections 35 and 36, as follows:

Sec. 35. IMMUNITY FROM LIABILITY. Provides that the district, a director, or a district employee is not liable for damages arising out of the performance of a governmental function of the district, except as provided by Chapter 101, Civil Practice and Remedies Code.

Sec. 36. VALIDATION. (a) Provides that all governmental acts and proceedings of the district since the creation or attempted creation of the district are validated as of the dates on which they occurred.

(b) Provides that this section does not apply to any matter that on the effective date of the Act enacting this section is involved in litigation if the litigation ultimately results in the matter being held invalid by a final court judgment or has been held invalid by a final court judgment.

SECTION 3. Effective date: upon passage or September 1, 2005.