

BILL ANALYSIS

Senate Research Center

S.B. 1666
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under current law, the Texas Department of Insurance (TDI) administers the Amusement Ride Safety Inspection and Insurance Act under Chapter 2151, Occupations Code. The Act covers a broad spectrum of rides including theme park and mobile carnival rides, bounce-house rentals, and mechanical bulls.

Pursuant to Chapter 2151, Occupations Code, amusement ride operators must comply with annual inspection and insurance requirements and file evidence of such compliance and the applicable fee with TDI in order to operate in the state. Although these requirements are minimal, TDI struggles to ensure operator compliance since the number of amusement rides in the state has increased dramatically over the last several decades and many of the rides constantly move across the state. Furthermore, TDI does not have an effective means of recourse when it does identify a problem, as it has no direct enforcement authority of its own. Under current law, TDI notifies the Office of the Attorney General (OAG) and local law enforcement officials when an instance of noncompliance is not corrected by an amusement ride owner or operator, but neither the OAG nor local law enforcement officials are required to take any action.

S.B. 1666 seeks to strengthen the regulatory program applicable to amusement ride operators by moving the program from TDI to the Texas Department of Licensing and Regulation (TDLR), which is better equipped to administer and has experience with regulation of this kind. In addition, S.B. 1666 repeals the provision that limits the fee assessed against amusement ride operators, which is currently set at \$40 per year, to ensure that TDLR can assess a reasonable fee that will enable TDLR to effectively enforce the law.

As proposed, S.B. 1666 amends current law relating to the regulation of amusement rides.

RULEMAKING AUTHORITY

Rulemaking authority previously granted to the commissioner of insurance is transferred to the Texas Commission of Licensing and Regulation in SECTION 5 (Section 2151.1021, Occupations Code) and SECTION 9 (Section 2151.151, Occupations Code) of this bill.

Rulemaking authority previously granted to the commissioner of insurance is transferred to the Texas Department of Licensing and Regulation in SECTION 8 (Section 2151.105, Occupations Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 2151.002(4) and (5) Chapter 2151, Occupations Code, as follows:

Sec. 2151.002. DEFINITIONS. Defines, in this chapter, "commission" and redefines "department." Deletes existing text defining "commissioner."

SECTION 2. Amends Section 2151.051, Chapter 2151, Occupations Code, to require the Texas Department of Licensing and Regulation (TDLR), rather than the commissioner of insurance (commissioner), to administer and enforce this chapter.

SECTION 3. Amends Section 2151.052(a), Chapter 2151, Occupations Code, as follows:

Sec. 2151.052. FEES. (a) Requires the Texas Commission of Licensing and Regulation (TCLR) to establish reasonable and necessary fees for each amusement ride covered by this chapter. Deletes existing text requiring the commissioner to establish reasonable and necessary fees, in an amount not to exceed \$40 per year, for each amusement ride covered by this chapter.

SECTION 4. Amends Section 2151.101(a)(4), Chapter 2151, Occupations Code, to make conforming changes.

SECTION 5. Amends Sections 2151.1021(a) and (c), Chapter 2151 Occupations Code, as follows:

Sec. 2151.1021. INSPECTION REQUIREMENTS FOR MOBILE AMUSEMENT RIDES. (a) Requires TCLR, rather than the commissioner, to adopt rules requiring operators of mobile amusement rides to perform inspections of mobile amusement rides, including rules requiring daily inspections of safety restraints.

(c) Makes a conforming change.

SECTION 6. Amends Sections 2151.1022(b) and (c), Chapter 2151, Occupations Code, as follows:

Section 2151.1022. REQUIRED RECORDS OF GOVERNMENTAL ACTIONS.

(b) Requires the operator of an amusement ride to file a certain report with TDLR, rather than the commissioner.

(c) Makes a conforming change.

SECTION 7. Amends Section 2151.103(c), Chapter 2151, Occupations Code, to make conforming changes.

SECTION 8. Amends Section 2151.105(a), Chapter 2151, Occupations Code, to require TDI, rather than the commissioner, to adopt rules requiring that a sign be posted to inform the public how to report an amusement ride that appears to be unsafe or to report an amusement ride operator who appears to be violating the law.

SECTION 9. Amends Section 2151.151, Chapter 2151, Occupations Code, to authorize the attorney general or an agent of the attorney general, the district attorney of a county in which an amusement ride is operated or, on request of TDI, rather than the commissioner of insurance, to seek an injunction against a person operating an amusement ride in violation of this chapter or in violation of a rule adopted by TCLR, rather than the commissioner, under Section 2151.1021 or 2151.105.

SECTION 10. Amends Section 2151.152(a), Chapter 2151, Occupations Code, to make conforming changes.

SECTION 11. Amends Sections 2151.1525(b) and (d), Chapter 2151, Occupations Code, to make conforming changes.

SECTION 12. Amends Section 2151.1526(b), Chapter 2151, Occupations Code, to make conforming changes.

SECTION 13. Repealer: Section 2151.153 (Criminal Penalties), Occupations Code.

SECTION 14. Effective date: upon passage September 1, 2013.