

INSURANCE CODE

TITLE 10. PROPERTY AND CASUALTY INSURANCE

SUBTITLE G. POOLS, GROUPS, PLANS, AND SELF-INSURANCE

CHAPTER 2154. VOLUNTEER FIRE DEPARTMENT MOTOR VEHICLE

SELF-INSURANCE PROGRAM

Sec. 2154.001. DEFINITIONS. In this chapter:

(1) "Fund" means the volunteer fire department self-insurance fund established under Section 2154.005.

(2) "Program" means the volunteer fire department motor vehicle self-insurance program administered under this chapter.

(3) "Service" means the Texas Forest Service of The Texas A&M University System.

(4) "Volunteer fire department" means a fire department operated by the fire department's members on a not-for-profit basis. The term includes a fire department that is exempt from federal income tax under Section 501(a), Internal Revenue Code of 1986, by being listed as an exempt organization in Section 501(c)(3) of that code.

Added by Acts 2005, 79th Leg., Ch. 727 (H.B. 2017), Sec. 2, eff. April 1, 2007.

Sec. 2154.002. MOTOR VEHICLE SELF-INSURANCE PROGRAM. (a) The service shall administer a volunteer fire department self-insurance program that:

(1) identifies and evaluates risks arising from the use of motor vehicles by volunteer fire departments;

(2) maintains a loss-prevention and loss-control program to reduce risks arising from the use of motor vehicles by volunteer fire departments;

(3) consolidates and administers volunteer fire department risk management and self-insurance programs; and

(4) provides motor vehicle self-insurance coverage in accordance with Section 2154.003.

(b) The service may employ staff to administer the program.

(c) The director of the service may adopt rules to implement

and administer the program.

Added by Acts 2005, 79th Leg., Ch. 727 (H.B. 2017), Sec. 2, eff. April 1, 2007.

Sec. 2154.003. SELF-INSURANCE POOL; COVERAGE. (a) The program shall administer a self-insurance pool to provide coverage for motor vehicles a volunteer fire department uses for fire fighting.

(b) The coverage may indemnify an official, employee, member, or volunteer of a volunteer fire department for liability arising from the use of a covered motor vehicle in performing the person's fire-fighting duties. The maximum limits of coverage are:

(1) for bodily injury or death:

(A) \$100,000 for each person; and

(B) \$300,000 for each single occurrence; and

(2) for injury to or destruction of property, \$100,000 for each single occurrence.

(c) Self-insurance coverage provided under this section may be funded only from money available from the fund.

(d) The director of the service may establish:

(1) eligibility requirements for participation in coverage under this section; and

(2) equipment and safety standards for the motor vehicles to be covered under this section.

(e) Coverage limits of self-insurance provided under this section must be based on the liquidity of the fund after deducting the cost of administering this chapter.

Added by Acts 2005, 79th Leg., Ch. 727 (H.B. 2017), Sec. 2, eff. April 1, 2007.

Sec. 2154.004. PARTICIPATION IN SELF-INSURANCE POOL. (a) To participate in coverage provided under Section 2154.003, a volunteer fire department must submit a written request to the program.

(b) The director of the program shall approve the request for participation if each motor vehicle to be covered meets the

eligibility requirements and equipment and safety standards established under Section 2154.003(d).

Added by Acts 2005, 79th Leg., Ch. 727 (H.B. 2017), Sec. 2, eff. April 1, 2007.

Sec. 2154.005. VOLUNTEER FIRE DEPARTMENT SELF-INSURANCE FUND. (a) The fund is an account in a depository selected by the board of regents of The Texas A&M University System in the manner provided by Section 51.003, Education Code, for funds subject to the control of institutions of higher education under Section 51.002, Education Code.

(b) The fund is composed of:

- (1) money collected under Section 2154.007; and
- (2) interest accruing on money in the fund.

(c) Money in the fund may be spent only for:

- (1) funding self-insurance under the program; or
- (2) administering this chapter, including paying the salaries and expenses of staff for the program and the fund.

Added by Acts 2005, 79th Leg., Ch. 727 (H.B. 2017), Sec. 2, eff. April 1, 2007.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 730 (H.B. 2636), Sec. 3B.059(a), eff. September 1, 2007.

Acts 2007, 80th Leg., R.S., Ch. 921 (H.B. 3167), Sec. 9.059(a), eff. September 1, 2007.

Sec. 2154.006. LIMITATION ON STATE'S LIABILITY. The state's liability for a loss covered by self-insurance provided under this chapter is limited to the assets of the fund, and the state is not otherwise liable for that loss.

Added by Acts 2005, 79th Leg., Ch. 727 (H.B. 2017), Sec. 2, eff. April 1, 2007.

Sec. 2154.007. SELF-INSURANCE FEE. (a) The service may assess and collect a reasonable fee from participating volunteer fire departments to provide self-insurance coverage under this chapter. In establishing the amount of the fee, the service shall

consider the amount that could be charged to the volunteer fire department for similar insurance coverage provided to that department in accordance with this code.

(b) Fees collected under this section shall be deposited to the credit of the fund.

Added by Acts 2005, 79th Leg., Ch. 727 (H.B. 2017), Sec. 2, eff. April 1, 2007.

Sec. 2154.008. LEGAL REPRESENTATION. (a) The service may employ an attorney to represent a volunteer fire department or an official, employee, member, or volunteer of a volunteer fire department in a liability action for which insurance coverage is provided under this chapter.

(b) The attorney general may not provide the services described by Subsection (a).

Added by Acts 2005, 79th Leg., Ch. 727 (H.B. 2017), Sec. 2, eff. April 1, 2007.