

## **BILL ANALYSIS**

Senate Research Center  
76R9454 PB-F

C.S.S.B. 1610  
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Intergovernmental Relations  
4/8/1999  
Committee Report (Substituted)

### **DIGEST**

Currently, compressed air foam (CAF) technology is being used within Texas for fire suppression activities. This bill would require the use of CAF technology in fire fighting equipment to constitute a reduction in hazard, resulting in savings for insurance policy holders that reside in an area where CAF technology is used.

### **PURPOSE**

As proposed, C.S.S.B. 1610 requires the use of compressed air foam (CAF) technology in fire fighting equipment to constitute a reduction in hazard, resulting in savings for insurance policy holders that reside in an area where CAF technology is used.

### **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 Article 5.33, Insurance Code, as follows:

Art. 5.33. New heading: CREDIT FOR REDUCING HAZARD. Authorizes the insurance commissioner (commissioner) to give each city, town, village, locality, or political subdivision credit for each and every hazard they may reduce or entirely remove, and also for all added fire fighting equipment, increased police protection, and any other equipment or improvement that has a tendency to reduce the fire hazard. Authorizes the commissioner to compel any company to give any or all policy holders credit for any and all hazards said policy holder or holders may reduce or remove. Provides that the installation of a new standard fire hydrant approved by the Department of Insurance (department) within the required distance of the risk, as prescribed by the department, or the use of compressed air foam technology in fire fighting equipment shall constitute a reduction in hazard by the insurance policy holder or holders. Makes conforming and nonsubstantive changes.

SECTION 2. Makes application of this Act prospective, to January 1, 2000.

SECTION 3. Effective date: September 1, 1999.

SECTION 4. Emergency clause.

### **SUMMARY OF COMMITTEE CHANGES**

SECTION 1.

Amends Article 5.33, Insurance Code, to provide a new heading, and authorize the commissioner to give each city, town, village, locality, or political subdivision credit for each and every hazard they may reduce or entirely remove, and also for all added fire fighting equipment, increased police protection, and any other equipment or improvement that has a tendency to reduce the fire hazard. Authorizes the commissioner to compel any company to give any or all policy holders credit for any and all hazards said policy holder or holders may reduce or remove. Provides that the installation of a new standard fire hydrant approved by the department within the required distance of the risk, as prescribed by the department, or the use of compressed air foam technology in fire

fighting equipment shall constitute a reduction in hazard by the insurance policy holder or holders.  
Makes conforming and nonsubstantive changes.

**SECTION 2.**

Amends SECTION 2 to make application of this Act prospective, to January 1, 2000.

**SECTION 3.**

Effective date: September 1, 1999, rather than upon passage. Redesignates proposed SECTION 3 as SECTION 4.