

Article on Chapter 87 and Chapter 75

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The odds are that you have insurance, but is it what you need? If you are like most of us you only think about insurance once or twice a year. This is at renewal time when you are sending a check to pay for something that you hopefully will not be using. I wager that you might not even know where your insurance policies are located. If I lost this wager, I would be willing to bet double-or-nothing that you have not read your policies in their entirety. That is why you have an insurance agent, right? If you have a good agent, you may not get into too much trouble. The question is how do you know if you have a good agent?

If you are involved with any kind of equine activity, or if you own or lease land, there are two very important Texas Statutes you should know. The first one is Chapter 87, the Farm Animal Liability Act. This statute provides you protection by limiting your liability if someone is injured while engaging in a farm animal activity. Basically, it states that anyone that participates in any farm animal activity is accepting the risks involved with his/her chosen activity and that person may not hold you liable for any injury. The catch to this statute is that you must have the following warning sign posted on the premise or in a written contract with the participant before you are eligible for protection under this statute.

WARNING

UNDER TEXAS LAW (CHAPTER 87, CIVIL PRACTICE AND REMEDIES CODE), A FARM ANIMAL PROFESSIONAL IS NOT LIABLE FOR AN INJURY TO OR THE DEATH OF A PARTICIPANT IN FARM ANIMAL ACTIVITIES RESULTING FROM THE INHERENT RISKS OF FARM ANIMAL ACTIVITIES.

The other statute is important to anyone that owns or leases land used for recreation (hunting, trail rides, bird watching, etc.).

It is Chapter 75, the Texas Recreational Use Statute. You have the right to allow anyone the privilege of using your land for their own recreational activities. The statute limits your liability if someone is injured when he/she is engaged in a chosen activity while using your land free of charge. This means that if someone is injured or killed while using your land, you are not liable. However, there is another aspect to this statute. Because you are a financially motivated person, if you decide to lease your land for recreational activity for a little extra spending money, you are now in the recreational lease business. Do not worry. This same statute is going to give you protection as a landlord as well. The bad news is that it states you are only liable for up to one million dollars per occurrence. The good news is that you can buy a relatively inexpensive insurance policy with a one million dollar per occurrence limit and you are protected against a person suing for your personal assets. The flip side to this is that you must have the \$1 million per occurrence liability policy in force before the limit takes effect. If you do not have this protection, you do not fall under the one million dollar limit and you may be sued for any amount of money a person feels he/she is entitled, chances are someone is going to be see dollar signs. All the hard work that you have put into making your dreams come true could be awarded to someone else, all their dreams can come true using your money.

This is only the tip of the iceberg when it comes to what your agent should be talking about to you. Are you thinking you might not be as informed as you should be when it comes to insurance? You would not take a champion cutting horse to a small animal veterinarian that is not familiar with the needs of that animal. Does it not also make sense to take your insurance to someone who is personally involved in farming and ranching and knows how to protect the things you have worked so hard to obtain? After all, is that not what you deserve? If you have any questions you can call Stamford Insurance Agency at (325) 773-2754.