

By: Bell of Montgomery

H.B. No. 5317

A BILL TO BE ENTITLED

AN ACT

relating to the establishment of a risk management pool to provide insurance coverage.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 412, Labor Code is amended by adding Subchapter G, Section 412.055 and Section 412.056 to read as follows:

Subchapter G: RISK MANAGEMENT POOL

Sec. 412.055. DEFINITIONS. In this chapter:

(1) "Pool" means a self-insured retention fund established under Section 412.056.

Sec. 412.056. CREATION OF A RISK MANAGEMENT POOL

a. The Board may authorize the creation of a risk management pool for the purpose of providing insurance to state agencies and institutions of higher education.

b. The Office shall be the administrator of the risk management pool.

c. The risk management pool shall be considered a sponsored policy, as defined in Administrative Code, Chapter 252, Subchapter C, Rule 252.301.

SECTION 2. Sec. 412.057. PARTICIPATION IN POOL. (a) An agency subject to Labor Code, Chapter 501, except for an intuition subject to Chapter 501.022, that meets the criteria established by the risk management pool may:

1           (1) purchase coverage from the pool; and

2           (2) use funds appropriated by the legislature to pay all  
3 necessary costs associated with participation in the pool.

4           SECTION 3. The change in law made by this Act applies only  
5 to a risk management pool established by the Board of the State  
6 Office of Risk Management on or after the effective date of this  
7 Act. A risk management pool created before the effective date of  
8 this Act is governed by the law in effect on the date the award was  
9 made, and the former law is continued in effect for that purpose.

10          SECTION 4. This Act takes effect September 1, 2025.