

By: Giddings

H.B. No. 119

A BILL TO BE ENTITLED

AN ACT

relating to workers' compensation research conducted by the Texas Department of Insurance; making an appropriation.

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

SECTION 1. Subtitle A, Title 5, Labor Code, is amended by adding Chapter 405 to read as follows:

CHAPTER 405. WORKERS' COMPENSATION RESEARCH

Sec. 405.001. DEFINITION. In this chapter, "department" means the Texas Department of Insurance.

Sec. 405.002. WORKERS' COMPENSATION RESEARCH DUTIES OF DEPARTMENT. (a) The department shall conduct professional studies and research related to:

- (1) the delivery of benefits;
- (2) litigation and controversy related to workers' compensation;
- (3) insurance rates and rate-making procedures;
- (4) rehabilitation and reemployment of injured workers;
- (5) workplace health and safety issues;
- (6) the quality and cost of medical benefits;
- (7) the Texas Mutual Insurance Company and the impact of that company on the workers' compensation system; and
- (8) other matters relevant to the cost, quality, and operational effectiveness of the workers' compensation system.

1 (b) In addition to the studies and research conducted under
2 Subsection (a), the department shall conduct studies and research
3 related to drugs in the workplace, giving priority to drug abuse in
4 public and private establishments in which drug abuse could result
5 in serious consequences to the public. The studies and research
6 must include a survey designed to identify future needs and current
7 efforts of employers to counteract drug abuse and its effects in the
8 workplace.

9 (c) The department shall identify, collect, maintain, and
10 analyze the key information required to assess the operational
11 effectiveness of the workers' compensation system. The department
12 shall provide the information obtained under this subsection to the
13 governor and the legislature on a quarterly basis.

14 (d) The department may apply for and spend federal funds to
15 implement this chapter.

16 Sec. 405.003. FUNDING; MAINTENANCE TAX. (a) The
17 department's duties under this chapter are funded through the
18 assessment of a maintenance tax collected annually from all
19 insurance carriers except governmental entities.

20 (b) The department shall set the rate of the maintenance tax
21 based on the expenditures authorized and the receipts anticipated
22 in legislative appropriations. The tax rate for insurance
23 companies may not exceed one-tenth of one percent of the correctly
24 reported gross workers' compensation insurance premiums. The tax
25 rate for certified self-insurers may not exceed one-tenth of one
26 percent of the total tax base of all certified self-insurers, as
27 computed under Section 407.103(b).

1 (c) The tax imposed under Subsection (a) is in addition to
2 all other taxes imposed on those insurance carriers for workers'
3 compensation purposes.

4 (d) The tax on insurance companies shall be collected and
5 paid in the same manner and at the same time as the maintenance tax
6 established for the support of the department under Article 5.68,
7 Insurance Code. The tax on certified self-insurers shall be
8 collected and paid in the same manner and at the same time as the
9 self-insurer maintenance tax collected under Section 407.104.

10 (e) Amounts received under this section shall be deposited
11 in the state treasury to the credit of a special account to be used:

12 (1) for the operation of the department's duties under
13 this chapter; and

14 (2) to reimburse the general revenue fund in
15 accordance with Article 4.19, Insurance Code.

16 (f) Section 403.095, Government Code, does not apply to the
17 special account established under this section.

18 Sec. 405.004. COORDINATION WITH OTHER STATE AGENCIES;
19 CONFIDENTIALITY. (a) As required to fulfill the department's
20 objectives under this chapter, the department is entitled to access
21 to the files and records of:

22 (1) the commission;

23 (2) the Texas Workforce Commission;

24 (3) the Texas Department of Human Services;

25 (4) the Texas Mutual Insurance Company; and

26 (5) other state agencies.

27 (b) A state agency shall assist and cooperate in providing

1 the information to the department.

2 (c) Information that is confidential under state law is
3 accessible to the department under rules of confidentiality and
4 remains confidential.

5 (d) The identity of an individual or entity selected to
6 participate in a department survey or who participates in such a
7 survey is confidential and is not subject to public disclosure
8 under Chapter 552, Government Code.

9 SECTION 2. Chapter 404 and Section 413.021(f), Labor Code,
10 are repealed.

11 SECTION 3. (a) For each fiscal year of the state fiscal
12 biennium beginning September 1, 2003, the amount of \$832,396
13 appropriated by Section 11.15(b), Article 9, H.B. 1, Acts of the
14 78th Legislature, Regular Session, 2003, is appropriated to the
15 Texas Department of Insurance for the purpose of performing the
16 department's duties under Chapter 405, Labor Code, as added by this
17 Act, with \$804,928 appropriated each fiscal year from the
18 undedicated portion of the general revenue fund and \$27,468
19 appropriated each fiscal year from the special account established
20 under Section 405.003, Labor Code, as added by this Act, and the
21 amount available for transfer under Section 11.15(c), Article 9,
22 H.B. 1, Acts of the 78th Legislature, Regular Session, 2003, is
23 correspondingly reduced by that amount.

24 (b) Rider 1 immediately following the appropriation to the
25 Research and Oversight Council on Workers' Compensation made by
26 H.B. 1, Acts of the 78th Legislature, Regular Session, 2003,
27 applies to the appropriation made by Subsection (a) of this

1 section.

2 (c) The special account established under Section 404.003,
3 Labor Code, as that section existed before being repealed by this
4 Act, is re-created and redesignated as a special account to be used
5 for the purposes described by Section 405.003, Labor Code, as added
6 by this Act.

7 SECTION 4. This Act takes effect immediately if it receives
8 a vote of two-thirds of all the members elected to each house, as
9 provided by Section 39, Article III, Texas Constitution. If this
10 Act does not receive the vote necessary for immediate effect, this
11 Act takes effect on the 91st day after the last day of the
12 legislative session.