

By: Brown of Brazos

H.B. No. 570

A BILL TO BE ENTITLED

AN ACT

relating to limiting the liability of certain employers who do not provide workers' compensation insurance coverage.

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

SECTION 1. Subchapter B, Chapter 406, Labor Code, is amended by adding Section 406.0335 to read as follows:

Sec. 406.0335. LIMITED LIABILITY FOR CERTAIN EMPLOYERS.

(a) An employer who does not have workers' compensation insurance coverage is subject to this section if the employer provides benefits for personal injuries or death sustained by an employee in the course and scope of employment in at least the following amounts:

(1) \$300,000 for medical expenses for at least 104 weeks after the date of injury;

(2) \$100,000 in accidental death benefits for a fatal injury; and

(3) weekly income benefits of at least 75 percent of the employee's preinjury income for at least 104 weeks after the date of injury, not to exceed \$600.

(b) An employer described by Subsection (a) who is the subject of a claim for additional damages for a work-related injury or death brought by an employee, an heir or beneficiary of the employee, or another party, is not liable for more than \$250,000 for all damages, costs, interest, and attorney's fees, including any

1 benefits paid by the employer as medical expenses and wage  
2 replacement.

3 (c) The limitation on liability provided by this section  
4 does not apply to a claim based on the death of an employee caused  
5 by:

6 (1) an intentional act or omission by the employer; or

7 (2) gross negligence of the employer.

8 SECTION 2. (a) This Act takes effect September 1, 2003.

9 (b) The change in law made by this Act applies only to an  
10 action filed on or after the effective date of this Act. An action  
11 filed before the effective date of this Act is governed by the law  
12 in effect on the date the action was filed, and the former law is  
13 continued in effect for that purpose.