

By: Farabee

H.B. No. 1375

A BILL TO BE ENTITLED

AN ACT

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relating to the workers' compensation insurance coverage requirements for certain construction contracts with governmental entities.

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

SECTION 1. Sections 406.096(a) and (b), Labor Code, are amended to read as follows:

(a) A governmental entity that enters into a building or construction contract shall require the contractor to certify in writing that the contractor provides workers' compensation insurance coverage for each employee of the contractor employed on the public project. This subsection applies only to a contractor who enters into building or construction contracts with the governmental entity for which the total dollar amount in a fiscal year exceeds \$9,000.

(b) Each subcontractor on a public project subject to Subsection (a) shall provide such a certificate relating to coverage of the subcontractor's employees to the general contractor, who shall provide the subcontractor's certificate to the governmental entity.

SECTION 2. This Act takes effect September 1, 2003, and applies only to a contract for building or construction between a governmental entity and a contractor that is entered into on or after that date. A contract entered into before the effective date

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1 of this Act is governed by the law in effect on the date the contract
2 was entered into, and the former law is continued in effect for that
3 purpose.