

By: Gallego

H.B. No. 3266

Substitute the following for H.B. No. 3266:

By: Elkins

C.S.H.B. No. 3266

A BILL TO BE ENTITLED

AN ACT

1 relating to the group purchase of workers' compensation insurance.

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

3 SECTION 1. Article 5.57A(a)(3), Insurance Code, is amended
4 to read as follows:

5 (3) "Group" means two or more business entities, or
6 the members of a trade association of business entities, that join
7 together with the approval of the commissioner [~~Board~~] to purchase
8 individual workers' compensation insurance policies covering each
9 business entity that is a part of the group.

10 SECTION 2. Articles 5.57A(b) and (c), Insurance Code, are
11 amended to read as follows:

12 (b) On receiving approval of the commissioner [~~Board~~] as
13 provided by this article, two or more business entities or the
14 members of a trade association of business entities may join
15 together to form a group to purchase individual workers'
16 compensation insurance policies covering each member of the group.

17 (c) To be eligible to join a group, a business entity must:
18 (1) be engaged in a business pursuit that is the same
19 as or similar to the other business entities participating in the
20 group, as determined by the commissioner; or

21 (2) be a member of a trade association of business
22 entities [~~Board~~].

23 SECTION 3. Article 5.57A, Insurance Code, as amended by
24

1 this Act, applies only to an insurance policy delivered, issued for
2 delivery, or renewed on or after January 1, 2004. A policy
3 delivered, issued for delivery, or renewed before January 1, 2004,
4 is governed by the law as it existed immediately before the
5 effective date of this Act, and that law is continued in effect for
6 that purpose.

7 SECTION 4. This Act takes effect September 1, 2003.