

By: Brown of Brazos

H.B. No. 153

A BILL TO BE ENTITLED

AN ACT

1
2 relating to certain requirements for construction contracts with
3 governmental entities.

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

5 SECTION 1. Section 406.096, Labor Code, is amended by
6 amending Subsections (a) and (c) and adding Subsection (f) to read
7 as follows:

8 (a) A governmental entity that enters into a building or
9 construction contract shall require the contractor to certify in
10 writing that the contractor provides [~~workers' compensation~~
11 ~~insurance coverage~~] for each employee of the contractor employed on
12 the public project:

13 (1) workers' compensation insurance coverage; or

14 (2) benefits for personal injuries or death in the
15 amounts described by Subsection (f).

16 (c) A contractor who is subject to Subsection (a) and who
17 provides [~~has a contract that requires~~] workers' compensation
18 insurance coverage for the contractor's employees may provide the
19 coverage through a group plan or other method satisfactory to the
20 governing body of the governmental entity.

21 (f) A contractor under Subsection (a) who does not have
22 workers' compensation insurance coverage must provide benefits
23 under the contract for personal injuries or death sustained by an
24 employee in the course and scope of employment in at least the

1 following amounts:

2 (1) \$400,000 for medical expenses for at least 104
3 weeks after the date of injury;

4 (2) \$250,000 in accidental death benefits for a fatal
5 injury; and

6 (3) weekly income benefits of at least 75 percent of
7 the employee's preinjury income for at least 104 weeks after the
8 date of injury, not to exceed \$750.

9 SECTION 2. Section 406.096, Labor Code, as amended by this
10 Act, applies only to a contract for building or construction
11 between a governmental entity and a contractor that is entered into
12 on or after the effective date of this Act. A contract entered into
13 before the effective date of this Act is governed by the law in
14 effect on the date the contract was entered into, and the former law
15 is continued in effect for that purpose.

16 SECTION 3. This Act takes effect September 1, 2005.