

By: Elkins

H.B. No. 2552

A BILL TO BE ENTITLED

AN ACT

relating to the operation of staff leasing services companies.

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

SECTION 1. Section 91.031, Labor Code, is amended to read as follows:

Sec. 91.031. AGREEMENT[~~;~~ NOTICE]. ~~[(a)]~~ A license holder shall establish the terms of a staff leasing services agreement by a written contract between the license holder and the client company.

~~[(b) The license holder shall give written notice of the agreement as it affects assigned employees to each employee assigned to a client company worksite.]~~

~~[(c) The written notice required by Subsection (b) must be given to each assigned employee not later than the first payday after the date on which that individual becomes an assigned employee.]~~

SECTION 2. Section 91.043, Labor Code, is amended to read as follows:

Sec. 91.043. HEALTH BENEFIT PLANS. (a) A license holder may ~~[not]~~ sponsor a plan of self-insurance for health benefits provided by the license holder for the benefit of assigned employees. The license holder's health benefit plan must comply with the requirements of ~~[except as permitted by]~~ the Employee Retirement Income Security Act of 1974 (29 U.S.C. Section 1001 et seq.).

1 (b) For purposes of this section, a "plan of self-insurance"
2 includes any arrangement other than [~~except~~] an arrangement under
3 which an insurer [~~insurance carrier~~] authorized by the Texas
4 Department of Insurance to engage in the [~~do~~] business of health
5 insurance in this state has issued an insurance policy that covers
6 all of the obligations of the health benefits plan.

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