

BILL ANALYSIS

H.B. 886
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Business & Industry
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The workers' compensation return-to-work pilot program for small employers authorizes reimbursement of up to \$2500 for small employers who make workplace modifications to return an employee to work. However, as of January 31, 2007, one employer had received funds from the program and one application was pending.

H.B. 886 creates an optional preauthorization plan for employers to submit prior to making expenditures to bring an employee back to work.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the commissioner of workers' compensation in SECTION 1 of this bill.

ANALYSIS

House Bill 886 amends the Labor Code by adding Subsection (c-1) to Section 413.022 requiring the commissioner of workers' compensation to establish an optional preauthorization plan for eligible employers who participate in the pilot program. Employers who wanted to participate in the preauthorization plan would be required to submit a proposal to the Division of Workers' Compensation of the Texas Department of Insurance (division) that describes the proposed modifications and changes. If the division approves the employer's proposal, the bill requires the division to guarantee reimbursement of expenses incurred by the employer in implementing the modifications and changes, unless the division determines that the modifications and changes differ materially from the employer's proposal. Reimbursement is restricted to the \$2500 limit provided by Subsection (c).

EFFECTIVE DATE

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.