

By: King of Zavala

H.B. No. 1351

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the operation of certain staff leasing services
3 arrangements.

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

5 SECTION 1. Sections 91.031(b) and (c), Labor Code, are
6 amended to read as follows:

7 (b) The license holder shall give [~~written~~] notice of the
8 agreement as it affects assigned employees to each employee
9 assigned to a client company worksite. The license holder shall
10 give the notice in writing or in an electronic document with a proof
11 of delivery receipt.

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

16 SECTION 2. Section 91.043, Labor Code, is amended by adding
17 Subsection (c) to read as follows:

18 (c) A license holder, on behalf of its client companies, may
19 establish and sponsor a multiple employer welfare arrangement as
20 provided by Chapter 846, Insurance Code, to provide a health
21 benefit plan for the assigned employees of those client companies.
22 For purposes of this subsection, "health benefit plan" has the
23 meaning assigned by Section 846.001, Insurance Code.

24 SECTION 3. Section 846.053, Insurance Code, is amended by

1 adding Subsection (e-1) to read as follows:

2 (e-1) Notwithstanding Subsections (b) through (e), a
3 license holder under Chapter 91, Labor Code, on behalf of its client
4 companies, may establish and sponsor a multiple employer welfare
5 arrangement under this chapter to the extent authorized by the
6 Employee Retirement Income Security Act of 1974 (29 U.S.C. Section
7 1001 et seq.).

8 SECTION 4. This Act applies only to a contract between a
9 staff leasing services license holder and a client company that is
10 entered into on or after the effective date of this Act. A contract
11 entered into before that date is governed by the law as it existed
12 immediately before the effective date of this Act, and that law is
13 continued in effect for that purpose.

14 SECTION 5. This Act takes effect September 1, 2007.