

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 may give
10 the notice in writing or in a face-to-face meeting with the
11 employee.

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) The client companies of a license holder may establish a
19 multiple employer welfare arrangement as provided by Chapter 846,
20 Insurance Code, to provide a health benefit plan for their assigned
21 employees. For purposes of this subsection, "health benefit plan"
22 has the meaning assigned by Section 846.001, Insurance Code.

23 SECTION 3. Section 846.053, Insurance Code, is amended by
24 adding Subsection (e-1) to read as follows:

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

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

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