

BILL ANALYSIS

Senate Research Center
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H.B. 625
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, a workers' compensation carrier must provide a policyholder with certain claims data within 30 days of a request. However, there is no requirement for a staff leasing services company to provide this kind of information to a client employer if the company provides the workers' compensation insurance. H.B. 625 requires a licensed staff leasing services company to request claims data from a workers' compensation insurance carrier at a client employer's request and to provide individualized claims data to the client employer within a specified time frame and makes a company's failure to do so an administrative violation.

H.B. 625 amends current law relating to notice of staff leasing services company workers' compensation claim and payment information, and provides an administrative violation.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends the heading to Section 91.042, Labor Code, to read as follows:

Sec. 91.042. WORKERS' COMPENSATION INSURANCE; ADMINISTRATIVE VIOLATION.

SECTION 2. Amends Section 91.042, Labor Code, by adding Subsections (g), (h), and (i), as follows:

(g) Requires a person licensed under Chapter 91 (Staff Leasing Services) to provide staff leasing services (license holder) that elects to provide workers' compensation insurance for assigned employees, on the written request of a client company, to provide to the client company a list of:

(1) claims associated with that client company made against the license holder's workers' compensation policy; and

(2) payments made and reserves established on each claim.

(h) Requires the license holder to provide the information described by Subsection (g) in writing from the license holder's own records, if the license holder is a qualified self-insurer, or from information the license holder received from the license holder's workers' compensation insurance provider following the license holder's request under Section 2051.151 (Notice of Claims Information to Policyholder Required; Administrative Penalty), Insurance Code, not later than the 60th day after the date the license holder receives the client company's written request. Provides that, for purposes of this subsection, information is considered to be provided to the client company on the date the information is:

(1) received by the United States Postal Service; or

(2) personally delivered to the client company.

(i) Provides that a license holder that fails to comply with Subsection (g) or (h) commits a Class D administrative violation as provided by Section 415.011.

SECTION 3. Amends Subchapter A, Chapter 415, Labor Code, by adding Section 415.011, as follows:

Sec. 415.011. NOTICE OF STAFF LEASING SERVICES COMPANY WORKERS' COMPENSATION CLAIM AND PAYMENT INFORMATION; ADMINISTRATIVE VIOLATION. (a) Provides that, except as provided by Subsection (c), a staff leasing services company license holder commits a violation if the license holder fails to provide the information required by Sections 91.042(g) and (h).

(b) Provides that a violation under Subsection (a) is an administrative violation.

(c) Provides that a staff leasing services company license holder does not commit an administrative violation under this section if the license holder requested the information required by Sections 91.042(g) and (h) from the license holder's workers' compensation insurance provider and the provider does not provide the information to the license holder within the required time. Requires a license holder to notify the Texas Department of Insurance of a provider's failure to comply with the requirements of Section 2051.151, Insurance Code.

SECTION 4. Effective date: September 1, 2011.