

By: Ellis

S.B. No. 262

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to requirements for employers who do not obtain workers'  
3 compensation insurance coverage under the Texas Workers'  
4 Compensation Act; providing an administrative violation.

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

6 SECTION 1. Subchapter A, Chapter 406, Labor Code, is  
7 amended by adding Section 406.0025 to read as follows:

8 Sec. 406.0025. LIFE INSURANCE COVERAGE REQUIRED FOR  
9 NONSUBSCRIBING EMPLOYERS. (a) An employer who does not obtain  
10 workers' compensation insurance coverage must obtain life  
11 insurance coverage for each employee with a death benefit of not  
12 less than \$200,000.

13 (b) An employer may not be a beneficiary of a policy  
14 described by Subsection (a).

15 (c) Acceptance of a death benefit paid by a life insurance  
16 policy under this section does not affect the right of the  
17 beneficiary or other person to bring a civil action against the  
18 employer.

19 (d) An employer commits an administrative violation if the  
20 employer fails to comply with this section.

21 SECTION 2. Section 406.004(b), Labor Code, is amended to  
22 read as follows:

23 (b) The commissioner shall prescribe forms to be used for  
24 the employer notification and shall require the employer to

1 provide:

2           (1) reasonable information to the division about the  
3 employer's business; and

4           (2) proof of the employer's compliance with Section  
5 406.0025.

6           SECTION 3. This Act takes effect January 1, 2016.