

By: Eltife

S.B. No. 1106

A BILL TO BE ENTITLED

AN ACT

relating to the creation of a safety reimbursement program for employers participating in the workers' compensation system.

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

SECTION 1. Subchapter H, Chapter 411, Labor Code, is amended by adding Section 411.1031 to read as follows:

Sec. 411.1031. SAFETY REIMBURSEMENT PROGRAM. (a) In this section:

(1) "Eligible employer" means an employer, other than this state or a political subdivision of this state subject to Subtitle C, that has workers' compensation insurance coverage and that:

(A) employed at least two but not more than 50 employees on each business day during the preceding calendar year;
or

(B) is a type of employer designated as eligible to participate in the program by the commissioner.

(2) "Program" means the workers' compensation safety reimbursement program established under this section.

(b) The commissioner shall adopt rules establishing a safety reimbursement program designed to assist eligible employers in the creation of safe and healthy workplaces for employees of this state. The rules must include requirements for eligible employer applications and appropriate use of allocated funds.

1 (c) The program shall reimburse an eligible employer for
2 expenses incurred by the employer to facilitate a safe and healthy
3 workplace for employees of the employer. Reimbursement under this
4 section to an eligible employer may not exceed \$5,000 per calendar
5 year. Allowable expenses may include:

- 6 (1) physical modifications to the worksite;
7 (2) safety equipment, devices, and tools;
8 (3) safety training for employees; and
9 (4) other measures or equipment necessary to correct
10 identified safety hazards and protect employees from unsafe working
11 conditions.

12 (d) The commissioner by rule shall establish an optional
13 preauthorization plan for eligible employers that participate in
14 the program. The plan must require that an eligible employer submit
15 to the division a proposal in compliance with division rules that
16 describes the workplace modifications and other changes that the
17 employer proposes to make to facilitate a safe and healthy
18 workplace for employees of the employer.

19 (e) If the division approves an eligible employer's
20 proposal submitted under Subsection (d), the division shall
21 guarantee reimbursement of the expenses incurred by the employer in
22 implementing the modifications and changes approved by the division
23 unless the division determines that the modifications and changes
24 differ materially from the employer's proposal. Reimbursement
25 under this subsection is subject to the limit imposed under
26 Subsection (c).

27 (f) From administrative penalties collected by the

1 division, the commissioner shall annually deposit the first
2 \$100,000 into the general revenue fund of the state treasury to the
3 credit of the Texas Department of Insurance operating account for
4 the purposes of funding the program. Money for the program may be
5 spent by the division, on appropriation by the legislature, only
6 for the purposes of implementing this section.

7 (g) An insurance company shall notify eligible employers of
8 the availability of the program as provided by commissioner rule.

9 (h) Notwithstanding Subsections (a)-(g), this section may
10 be implemented only to the extent funds are available.

11 (i) Not later than December 1, 2018, the commissioner shall
12 report to the governor, the lieutenant governor, the speaker of the
13 house of representatives, and the members of the legislature
14 regarding:

15 (1) the implementation of the program;

16 (2) the results of the program; and

17 (3) recommendations regarding the continuation of the
18 program, including any changes necessary to enhance the
19 effectiveness of the program.

20 (j) This section expires September 1, 2019.

21 SECTION 2. (a) As soon as practicable after the effective
22 date of this Act, the commissioner of workers' compensation shall
23 adopt rules necessary to implement the workers' compensation safety
24 reimbursement program established under Section 411.1031, Labor
25 Code, as added by this Act.

26 (b) The division of workers' compensation of the Texas
27 Department of Insurance shall implement the workers' compensation

1 safety reimbursement program established under Section 411.1031,
2 Labor Code, as added by this Act, beginning January 1, 2016.

3 (c) An eligible employer may not receive reimbursement
4 under Section 411.1031, Labor Code, as added by this Act, for costs
5 incurred before January 1, 2016.

6 SECTION 3. This Act takes effect September 1, 2015.