

BILL ANALYSIS

Senate Research Center
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C.S.H.B. 2112
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Business & Commerce
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The purpose of H.B. 2112 is to promote efficiency by eliminating completed or obsolete reporting requirements from the statute that governs the Division of Workers' Compensation (DWC) and to authorize the division to send and receive various notices electronically.

Current statute requires DWC to produce a number of one-time legislative reports or perform reporting functions that are no longer necessary. Some of these reports have been completed; other reporting functions are obsolete and create inefficiencies for system stakeholders. Current statute also requires that many notices sent to and provided by DWC be physically mailed or personally delivered, which creates system inefficiencies and does not allow DWC the flexibility to determine the best method for delivering or receiving notices.

To promote efficiency, H.B. 2112 strikes the obsolete reporting requirements and would allow electronic transmission of statutorily required communications. (Original Author's / Sponsor's Statement of Intent)

C.S.H.B. 2112 amends current law relating to certain workers' compensation reporting requirements.

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 Section 402.066(a), Labor Code, to require the commissioner of workers' compensation (commissioner) to consider and recommend to the legislature changes to this subtitle (Texas Workers' Compensation Act), rather than changes to this subtitle, including any statutory changes required by an evaluation conducted under Section 402.074 (Strategic Management; Evaluation).

SECTION 2. Amends Section 406.007(a), Labor Code, to require an employer who terminates workers' compensation insurance coverage obtained under this subtitle to file a written notice with the division of workers' compensation of the Texas Department of Insurance (division), rather than with the division by certified mail, not later than a certain date.

SECTION 3. Amends Section 406.008(a), Labor Code, to require an insurance company that cancels a policy of workers' compensation insurance or that does not renew the policy by the anniversary date of the policy to deliver notice of the cancellation or nonrenewal to the division, and by certified mail, in person, or by electronic means in accordance with Chapter 35, Insurance Code, to the employer, rather than the division, not later than certain dates. makes nonsubstantive changes.

SECTION 4. Amends Section 406.144(d), Labor Code, as follows:

(d) Requires the hiring contractor to send a copy of an agreement under this section (Election to Provide Coverage; Agreement) to:

(1) the hiring contractor's workers' compensation insurance carrier, rather than the hiring contractor's workers' compensation insurance carrier on filing of the agreement with the division; and

(2) the division, on the division's request.

SECTION 5. Amends Section 406.145(c), Labor Code, as follows:

(c) Requires the hiring contractor to send a copy of a joint agreement signed under this section (Joint Agreement) to:

(1) the hiring contractor's workers' compensation insurance carrier, rather than the hiring contractor's workers' compensation insurance carrier on filing of the joint agreement with the division; and

(2) the division, on the division's request.

SECTION 6. Amends Section 408.150, Labor Code, as follows:

Sec. 408.150. VOCATIONAL REHABILITATION. (a) Requires the division to refer an employee to the Texas Workforce Commission (TWC), rather than to the Department of Assistive and Rehabilitation Services (DARS), with a recommendation for appropriate services if the division makes a certain determination. Deletes existing text requiring the division to also notify insurance carriers of the need for vocational rehabilitation or training services. Authorizes the insurance carrier to provide vocational rehabilitation or training services through a private provider of vocational rehabilitation services, rather than of vocational rehabilitation services under Section 409.012 (Vocational Rehabilitation Information).

(b) Changes a reference to DARS to TWC.

SECTION 7. Amends Section 409.010, Labor Code, to require the division to send, rather than mail, to the employee or legal beneficiary a clear and concise description of certain information.

SECTION 8. Amends Section 409.011(a), Labor Code, to require the division to send, rather than mail, to the employer a description of certain information.

SECTION 9. Amends Sections 409.012(b) and (c), Labor Code, as follows:

(b) Requires the division, if the division determines that an injured employee would be assisted by vocational rehabilitation, to notify:

(1) makes a conforming change; and

(2) TWC, rather than DARS and the affected insurance carrier, that the injured employee has been identified as one who could be assisted by vocational rehabilitation.

(c) Makes conforming changes.

SECTION 10. Amends Section 409.013(b), Labor Code, as follows:

(b) Requires the division, on receipt of a report under Section 409.005 (Report of Injury; Modified Duty Program Notice; Administrative Violation) to:

(1) contact the affected employee, rather than contact the affected employee by mail or by telephone; and

(2) provide, rather than shall provide, certain information to that employee.

SECTION 11. Repealer: Section 402.074 (Strategic Management; Evaluation), Labor Code;

Repealer: Section 406.144(c) (relating to requiring that an agreement under this section be filed with the division in a certain manner and is considered filed on receipt by the division), Labor Code;

Repealers: Sections 406.145(b) (relating to requiring that a joint agreement be delivered to the division in a certain manner and is considered filed on receipt by the division) and (d) (relating to requiring the division to maintain a system for accepting and maintaining the joint agreements), Labor Code;

Repealers: Sections 408.032 (Study on Interdisciplinary Pain Rehabilitation Program and Facility Accreditation Requirement) and 408.086 (Division Determination of Extended Unemployment or Underemployment), Labor Code;

Repealer: Section 409.012(d) (relating to authorizing a private provider of vocational rehabilitation services to register with the division).

SECTION 12. Provides that the change in law made by this Act applies only to a notice, agreement, description, or information required to be sent or provided on or after the effective date of this Act.

SECTION 13. Effective date: upon passage or September 1, 2017.