

By: Zaffirini

S.B. No. 1496

A BILL TO BE ENTITLED

AN ACT

relating to certain workers' compensation reporting requirements.

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

SECTION 1. Section 402.066(a), Labor Code, is amended to read as follows:

(a) The commissioner shall consider and recommend to the legislature changes to this subtitle~~[, including any statutory changes required by an evaluation conducted under Section 402.074]~~.

SECTION 2. Section 406.007(a), Labor Code, is amended to read as follows:

(a) An employer who terminates workers' compensation insurance coverage obtained under this subtitle shall file a written notice with the division ~~[by certified mail]~~ not later than the 10th day after the date on which the employer notified the insurance carrier to terminate the coverage. The notice must include a statement certifying the date that notice was provided or will be provided to affected employees under Section 406.005.

SECTION 3. Section 406.008(a), Labor Code, is amended to read as follows:

(a) 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 shall deliver notice of the cancellation or nonrenewal to the division, and by certified mail or in person to the employer, ~~[and the division]~~ not later than:

1 (1) the 30th day before the date on which the
2 cancellation or nonrenewal takes effect; or

3 (2) the 10th day before the date on which the
4 cancellation or nonrenewal takes effect if the insurance company
5 cancels or does not renew because of:

6 (A) fraud in obtaining coverage;

7 (B) misrepresentation of the amount of payroll
8 for purposes of premium calculation;

9 (C) failure to pay a premium when due;

10 (D) an increase in the hazard for which the
11 employer seeks coverage that results from an act or omission of the
12 employer and that would produce an increase in the rate, including
13 an increase because of a failure to comply with:

14 (i) reasonable recommendations for loss
15 control; or

16 (ii) recommendations designed to reduce a
17 hazard under the employer's control within a reasonable period; or

18 (E) a determination made by the commissioner of
19 insurance that the continuation of the policy would place the
20 insurer in violation of the law or would be hazardous to the
21 interest of subscribers, creditors, or the general public.

22 SECTION 4. Section [406.144](#)(d), Labor Code, is amended to
23 read as follows:

24 (d) The hiring contractor shall send a copy of an agreement
25 under this section to:

26 (1) the hiring contractor's workers' compensation
27 insurance carrier; and

1 (2) the division, on the division's request [~~on filing~~
2 ~~of the agreement with the division~~].

3 SECTION 5. Section 406.145(c), Labor Code, is amended to
4 read as follows:

5 (c) The hiring contractor shall send a copy of a joint
6 agreement signed under this section to:

7 (1) the hiring contractor's workers' compensation
8 insurance carrier; and

9 (2) the division, on the division's request [~~on filing~~
10 ~~of the joint agreement with the division~~].

11 SECTION 6. Section 408.150, Labor Code, is amended to read
12 as follows:

13 Sec. 408.150. VOCATIONAL REHABILITATION. (a) The division
14 shall refer an employee to the Texas Workforce Commission
15 [~~Department of Assistive and Rehabilitative Services~~] with a
16 recommendation for appropriate services if the division determines
17 that an employee could be materially assisted by vocational
18 rehabilitation or training in returning to employment or returning
19 to employment more nearly approximating the employee's preinjury
20 employment. [~~The division shall also notify insurance carriers of~~
21 ~~the need for vocational rehabilitation or training services.~~] The
22 insurance carrier may provide vocational rehabilitation or
23 training services through a private provider of vocational
24 rehabilitation services [~~under Section 409.012~~].

25 (b) An employee who refuses services or refuses to cooperate
26 with services provided under this section by the Texas Workforce
27 Commission [~~Department of Assistive and Rehabilitative Services~~]

1 or a private provider loses entitlement to supplemental income
2 benefits.

3 SECTION 7. Section 409.010, Labor Code, is amended to read
4 as follows:

5 Sec. 409.010. INFORMATION PROVIDED TO EMPLOYEE OR LEGAL
6 BENEFICIARY. Immediately on receiving notice of an injury or death
7 from any person, the division shall send [~~mail~~] to the employee or
8 legal beneficiary a clear and concise description of:

- 9 (1) the services provided by:
10 (A) the division; and
11 (B) the office of injured employee counsel,
12 including the services of the ombudsman program;
13 (2) the division's procedures; and
14 (3) the person's rights and responsibilities under
15 this subtitle.

16 SECTION 8. Section 409.011(a), Labor Code, is amended to
17 read as follows:

18 (a) Immediately on receiving notice of an injury or death
19 from any person, the division shall send [~~mail~~] to the employer a
20 description of:

- 21 (1) the services provided by the division and the
22 office of injured employee counsel;
23 (2) the division's procedures; and
24 (3) the employer's rights and responsibilities under
25 this subtitle.

26 SECTION 9. Sections 409.012(b) and (c), Labor Code, are
27 amended to read as follows:

1 (b) If the division determines that an injured employee
2 would be assisted by vocational rehabilitation, the division shall
3 notify:

4 (1) the injured employee in writing of the services
5 and facilities available through the Texas Workforce Commission
6 [~~Department of Assistive and Rehabilitative Services~~] and private
7 providers of vocational rehabilitation; and

8 (2) the Texas Workforce Commission [~~Department of~~
9 ~~Assistive and Rehabilitative Services and the affected insurance~~
10 ~~carrier~~] that the injured employee has been identified as one who
11 could be assisted by vocational rehabilitation.

12 (c) The division shall cooperate with the office of injured
13 employee counsel, the Texas Workforce Commission [~~Department of~~
14 ~~Assistive and Rehabilitative Services~~], and private providers of
15 vocational rehabilitation in the provision of services and
16 facilities to employees by the Texas Workforce Commission
17 [~~Department of Assistive and Rehabilitative Services~~].

18 SECTION 10. Section 409.013(b), Labor Code, is amended to
19 read as follows:

20 (b) On receipt of a report under Section 409.005, the
21 division shall:

22 (1) contact the affected employee; [~~by mail or by~~
23 ~~telephone~~] and

24 (2) [~~shall~~] provide the information required under
25 Subsection (a) to that employee, together with any other
26 information that may be prepared by the office of injured employee
27 counsel or the division for public dissemination that relates to

1 the employee's situation, such as information relating to back
2 injuries or occupational diseases.

3 SECTION 11. The following provisions of the Labor Code are
4 repealed:

- 5 (1) Section 402.074;
- 6 (2) Section 406.144(c);
- 7 (3) Sections 406.145(b) and (d);
- 8 (4) Section 408.032;
- 9 (5) Section 408.086; and
- 10 (6) Section 409.012(d).

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

14 SECTION 13. This Act takes effect immediately if it
15 receives a vote of two-thirds of all the members elected to each
16 house, as provided by Section 39, Article III, Texas Constitution.
17 If this Act does not receive the vote necessary for immediate
18 effect, this Act takes effect September 1, 2017.