

1-1 By: Taylor of Galveston S.B. No. 1895
 1-2 (In the Senate - Filed March 10, 2017; March 23, 2017, read
 1-3 first time and referred to Committee on Business & Commerce;
 1-4 April 19, 2017, reported adversely, with favorable Committee
 1-5 Substitute by the following vote: Yeas 9, Nays 0; April 19, 2017,
 1-6 sent to printer.)

1-7 COMMITTEE VOTE

| | Yea | Nay | Absent | PNV |
|--------------------------|-----|-----|--------|-----|
| 1-8 Hancock | X | | | |
| 1-9 Creighton | X | | | |
| 1-10 Campbell | X | | | |
| 1-11 Estes | X | | | |
| 1-12 Nichols | X | | | |
| 1-13 Schwertner | X | | | |
| 1-14 Taylor of Galveston | X | | | |
| 1-15 Whitmire | X | | | |
| 1-16 Zaffirini | X | | | |

1-18 COMMITTEE SUBSTITUTE FOR S.B. No. 1895 By: Taylor of Galveston

1-19 A BILL TO BE ENTITLED
 1-20 AN ACT

1-21 relating to the assessment of administrative penalties under the
 1-22 Texas Workers' Compensation Act.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Section 415.021, Labor Code, is amended by
 1-25 amending Subsection (c) and adding Subsection (c-1) to read as
 1-26 follows:

1-27 (c) In assessing an administrative penalty:

1-28 (1) the commissioner shall consider:

1-29 (A) the seriousness of the violation, including
 1-30 the nature, circumstances, consequences, extent, and gravity of the
 1-31 prohibited act;

1-32 (B) the history and extent of previous
 1-33 administrative violations;

1-34 (C) the demonstrated good faith of the violator,
 1-35 including actions taken to rectify the consequences of the
 1-36 prohibited act;

1-37 (D) the penalty necessary to deter future
 1-38 violations; ~~and~~

1-39 (E) whether the administrative violation has
 1-40 negative impact on the delivery of benefits to an injured employee;

1-41 (F) the history of compliance with electronic
 1-42 data interchange requirements; and

1-43 (G) other matters that justice may require; and

1-44 (2) the commissioner shall, to the extent reasonable,
 1-45 consider the economic benefit resulting from the prohibited act.

1-46 (c-1) The commissioner shall adopt rules that require the
 1-47 division, in the assessment of an administrative penalty against a
 1-48 person, to communicate to the person information about the penalty,
 1-49 including:

1-50 (1) the relevant statute or rule violated;

1-51 (2) the conduct that gave rise to the violation; and

1-52 (3) the factors considered in determining the penalty.

1-53 SECTION 2. Section 415.021(c), Labor Code, as amended by
 1-54 this Act, applies only to an administrative violation that occurs
 1-55 on or after the effective date of this Act.

1-56 SECTION 3. The commissioner of workers' compensation shall
 1-57 adopt rules under Section 415.021(c-1), Labor Code, as added by
 1-58 this Act, as soon as practicable after the effective date of this
 1-59 Act.

1-60 SECTION 4. This Act takes effect September 1, 2017.

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