

By: Cole

H.B. No. 964

A BILL TO BE ENTITLED

AN ACT

relating to certain claims against the administrator of employment benefits for the employees of a political subdivision.

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

SECTION 1. Chapter 180, Local Government Code, is amended by adding Section 180.008 to read as follows:

Sec. 180.008. LIABILITY FOR CERTAIN EMPLOYMENT BENEFIT CLAIMS. (a) In this section, "program administrator" means a person who manages or administers a plan or program of employee benefits, including a self-funded or insured health benefit plan. The term includes an administrator, as that term is defined by Section 4151.001, Insurance Code.

(b) Notwithstanding any other law, a program administrator that contracts with a political subdivision to manage or administer a plan or program of employee benefits for the political subdivision's employees is liable for a claim against the administrator, regardless of whether the political subdivision has governmental immunity, if:

(1) the claim arises from a duty of the administrator under the contract; and

(2) the administrator would otherwise be liable to the claimant under law.

(c) A program administrator may not assert a defense of governmental immunity to suit or liability for a claim against the

1 administrator described by this section. This section does not
2 waive the governmental immunity to suit or liability of a political
3 subdivision.

4 SECTION 2. The heading to Chapter 180, Local Government
5 Code, is amended to read as follows:

6 CHAPTER 180. MISCELLANEOUS PROVISIONS AFFECTING OFFICERS AND
7 EMPLOYEES OF MUNICIPALITIES, COUNTIES, AND [~~CERTAIN~~] OTHER LOCAL
8 GOVERNMENTS

9 SECTION 3. Section 180.008, Local Government Code, as added
10 by this Act, applies only to an action that commences on or after
11 the effective date of this Act. An action that commences before the
12 effective date of this Act is governed by the law applicable to the
13 action immediately before the effective date of this Act, and that
14 law is continued in effect for that purpose.

15 SECTION 4. This Act takes effect immediately if it receives
16 a vote of two-thirds of all the members elected to each house, as
17 provided by Section 39, Article III, Texas Constitution. If this
18 Act does not receive the vote necessary for immediate effect, this
19 Act takes effect September 1, 2019.