

By: Lozano

H.B. No. 1985

A BILL TO BE ENTITLED

AN ACT

relating to administrative violations committed by certified self-insurer administrators under the Texas Workers' Compensation Act; authorizing an administrative penalty.

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

SECTION 1. Section 415.002, Labor Code, is amended by adding Subsections (c) and (d) to read as follows:

(c) Notwithstanding any provision of a contract entered into under Section 4151.253, Insurance Code, an administrator, as defined by Section 4151.001 of that code, commits an administrative violation under Subsection (a) if the administrator:

(1) is under contract with a certified self-insurer;

and

(2) engages in conduct described by Subsection (a) in the course of administering a claim on behalf of the certified self-insurer.

(d) A certified self-insurer may not be charged with an administrative violation under Subsection (a) if the conduct that is the subject of the violation was engaged in by an administrator, as defined by Section 4151.001, Insurance Code, of the certified self-insurer, unless the certified self-insurer directed the administrator to engage in that conduct.

SECTION 2. Sections 415.002(c) and (d), Labor Code, as added by this Act, apply only to an administrative violation

1 committed on or after the effective date of this Act. An
2 administrative violation committed before the effective date of
3 this Act is governed by the law in effect on the date the
4 administrative violation was committed, and the former law is
5 continued in effect for that purpose.

6 SECTION 3. This Act takes effect September 1, 2019.