BILL ANALYSIS

Senate Research Center 88R2423 KRR-F H.B. 2314 By: Canales (Kolkhorst) Business & Commerce 5/12/2023 Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, families of deceased first responders can mistakenly apply for death benefits with their insurance company, which has no legal responsibility to report the claim to the workers' compensation system. As a result, an application can be denied, and these family members can become ineligible for death benefits. H.B. 2314 seeks to address confusion in the workers' compensation system by allowing surviving family members to file a claim for death benefits with insurance carriers and requiring insurance carriers to maintain records of these claims and provide notice to the system.

Key Provisions:

- Amends the Labor Code to give a person, including an eligible surviving parent of a deceased employee, filing a death benefits claim under the workers' compensation system the option of filing the claim with an insurance carrier as an alternative to filing with the division of workers' compensation of the Texas Department of Insurance.
- Requires an insurance carrier, at the time the carrier receives a person's claim for death benefits, to create and maintain a record documenting receipt of the claim and provide written notice to the division that the person filed the claim.
- Requires the commissioner of workers' compensation to adopt rules as necessary to implement the bill's provisions.
- H.B. 2314 applies only to a claim for death benefits filed on or after the bill's effective date.

H.B. 2314 amends current law relating to filing death benefits claims under the workers' compensation system.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the commissioner of worker's compensation in SECTION 3 of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 408.182(d-2), Labor Code, to require an eligible parent, to be eligible to receive death benefits under Subsection (d-1) (relating to requiring the death benefits be paid in equal shares to surviving eligible parents of the deceased if there is no eligible spouse, no eligible child, and no eligible grandchild, and no surviving dependents), except as otherwise provided by this subsection, to file with the division of workers' compensation of the Texas Department of Insurance (division) or insurance carrier a claim for those benefits not later than the first anniversary of the date of the injured employee's death from the compensable injury.

SECTION 2. Amends Section 409.007, Labor Code, by amending Subsection (a) and adding Subsection (d), as follows:

(a) Requires a person to file a claim for death benefits with the division or insurance carrier not later than the first anniversary of the date of the employee's death.

(d) Requires an insurance carrier, if a person files a claim for death benefits with the carrier, at the time the carrier receives the claim to, in the form and manner prescribed by the division:

(1) create and maintain a record documenting receipt of the claim; and

(2) provide written notice to the division that the person filed the claim.

SECTION 3. Requires the commissioner of worker's compensation to adopt rules as necessary to implement the changes in law made by this Act.

SECTION 4. Makes application of this Act prospective.

SECTION 5. Effective date: upon passage or September 1, 2023.