

By: Creighton

S.B. No. 2121

A BILL TO BE ENTITLED

AN ACT

relating to property owner liability for personal injury claims arising from insurance restoration projects in which a contractor or subcontractor does not maintain workers' compensation insurance coverage.

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

SECTION 1. Chapter 95, Civil Practice and Remedies Code, is amended by adding Section 95.005 to read as follows:

Sec. 95.005. LIMITED LIABILITY FOR ELECTION NOT TO MAINTAIN WORKERS' COMPENSATION INSURANCE COVERAGE FOR CERTAIN PROJECTS. (a) In this section, "insurance restoration project" means work performed to repair a home, business, or other structure following a fire, a natural disaster, water damage, or mold damage and for which the work is or will be compensated by insurance.

(b) Notwithstanding Section 95.003, a property owner is not liable for personal injury or death to a contractor, subcontractor, or employee of a contractor or subcontractor arising from work on an insurance restoration project if the contractor or subcontractor does not maintain workers' compensation insurance coverage under Chapter 406, Labor Code.

SECTION 2. The change in law made by this Act applies only to a cause of action that accrues on or after the effective date of this Act.

SECTION 3. This Act takes effect September 1, 2023.