

BILL ANALYSIS

Senate Research Center
89R5435 RDS-F

H.B. 2488
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Business & Commerce
5/21/2025
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

An injured employee has the right to dispute decisions an insurance carrier makes on a claim. To dispute a decision on their claim, injured employees must use an administrative process overseen by the Texas Department of Insurance — Division of Workers' Compensation (DWC) to help resolve these disagreements. DWC's dispute resolution process may include:

- A Benefits Review Conference, an informal mediation;
- A Contested Case Hearing, a formal hearing held by an administrative law judge; or
- An appeal to the DWC Appeals Panel.

As currently written, Labor Code Section 410.005 requires dispute proceedings to be conducted within 75 miles of the injured employee's residence unless DWC finds good cause for the "selection of a different location." In 2020, due to the impact of COVID-19, DWC temporarily moved all proceedings to a virtual format and held both benefit review conferences and contested case hearings by videoconference or telephone.

H.B. 1752 from the 87th Legislature, Regular Session (2021), provides that benefit review conferences may be held by telephone, videoconference, or in person on a showing of good cause. However, there is no similar provision for contested case hearings. DWC holds about 4,500 contested case hearings annually and currently allows parties and witnesses to appear by telephone if good cause exists.

H.B. 2488 seeks to modernize and streamline the dispute resolution process by authorizing the division to hold contested case hearings virtually using existing videoconference technology. This will shorten dispute timeframes, lower travel costs for all system participants, increase access to legal representation, and reduce the time employees and businesses spend away from work.

H.B. 2488 amends current law relating to conducting certain contested case hearings under the Texas workers' compensation system by remote communication.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the commissioner of workers' compensation in SECTION 1 (Section 410.0055, Labor Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter A, Chapter 410, Labor Code, by adding Section 410.0055, as follows:

Sec. 410.0055. CONDUCTING CERTAIN CONTESTED CASE HEARINGS BY REMOTE COMMUNICATION. (a) Authorizes the division of workers' compensation of the Texas Department of Insurance, notwithstanding Section 410.005(a) (relating to prohibiting a certain contested case hearing from being conducted more than 75 miles from the claimant's residence), to conduct a contested case hearing by videoconference on a determination by the division that good cause exists for conducting the hearing in that manner or on mutual agreement of the parties.

(b) Requires the commissioner of workers' compensation (commissioner) to adopt rules as necessary to implement this section.

SECTION 2. Requires the commissioner, as soon as practicable after the effective date of this Act, to adopt rules to implement Section 410.0055, Labor Code, as added by this Act.

SECTION 3. Makes application of Section 410.0055, Labor Code, as added by this Act, prospective.

SECTION 4. Effective date: upon passage or September 1, 2025.