

BILL ANALYSIS

S.B. 877
By: Hancock
Business & Industry
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties note that there is a potential inequity regarding liability for attorney's fees for injured employees whose workers' compensation claims are administered by a political subdivision rather than other employers or carriers. S.B. 877 seeks to avoid such inequity by making a self-insuring political subdivision expressly liable for such attorney's fees.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

S.B. 877 amends the Labor Code to make a political subdivision that self-insures either individually or collectively liable for attorney's fees as provided by provisions of the Texas Workers' Compensation Act relating to attorney's fees for the representation of an insurance carrier whose interest is not actively represented by an attorney in a third-party action.

EFFECTIVE DATE

September 1, 2017.