

BILL ANALYSIS

Senate Research Center

S.B. 1282
By: Fraser
State Affairs
3/25/2003
As Filed

DIGEST AND PURPOSE

The Labor Code currently requires a workers' compensation insurance carrier to begin payment of benefits or give written notice of refusal within seven days of receiving notice of the injury, and provides that failure to do so constitutes a Class B administrative violation. In addition, the Labor Code provides that if a carrier fails to contest compensability within 60 days of receiving notice of an injury, the carrier waives all rights to do so at a later date. As proposed, S.B. 1282 provides that written notice would occur only upon the written notice to the certified claims servicing contractor or to the entity responsible for administering the claim.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 504.002, Labor Code, by redesignating existing Subsection (c) as Subsection (d) and adding Subsection (c), as follows:

(c) Requires "written notice" to a political subdivision which self-insures, either individually or collectively, to occur only upon written notice to the intergovernmental risk pool or other entity responsible for administering the claim, for the purposes of Subsection (a).

SECTION 2. Amends Section 409.021, Labor Code, by adding a new Subsection (b), as follows, and redesignating subsequent sections accordingly:

(b) Requires "written notice" to a certified self-insurer to occur only upon written notice to the qualified claims servicing contractor designated by the certified self-insurer under Section 407.061(c), for the purposes of this section.

SECTION 3. Effective date: September 1, 2003.