BILL ANALYSIS

Senate Research Center

H.B. 1456
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Business & Commerce
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Recent Texas court rulings have found that current requirements in the Labor Code that require a party to pay a disputed administrative penalty or bond or else waive the right to judicial review may impose an unreasonable financial barrier to court access in violation of constitutionally based open courts provisions.

H.B. 1456 removes the requirement for a person charged with an administrative penalty to forward the amount of the penalty to the Texas Department of Insurance Division of Workers' Compensation or post a bond for the amount of the penalty pending judicial review. H.B. 1456 also removes language stating that failure to forward the administrative penalty or bond results in a waiver of all legal rights to contest the violation or the amount of the penalty. (Original Author's / Sponsor's Statement of Intent)

H.B. 1456 amends current law relating to judicial review of certain decisions under the Texas Workers' Compensation Act.

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 415.035, Labor Code, to delete existing Subsection (a) designation and to delete existing designation and text of Subsection (b) (relating to required actions by a person charged if an administrative penalty is assessed), (c) (relating to failure to comply with Subsection (b) resulting in a waiver of all legal rights to contest the violation or the amount of the penalty), and (d) (relating to required actions by the Division of Workers' Compensation of the Texas Department of Insurance, if the court determines that the penalty should not have been assessed or reduces the amount of the penalty).

SECTION 2. Makes application of Section 415.035, Labor Code, as amended by this Act, prospective.

SECTION 3. Effective date: upon passage or September 1, 2017.