

BILL ANALYSIS

Senate Research Center
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S.B. 1496
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The purpose of S.B. 1496 is to promote efficiency by eliminating completed or obsolete reporting requirements from the statute that governs the Division of Workers' Compensation (DWC) and to authorize DWC to send and receive various notices electronically.

Current statute requires DWC to produce a number of one-time legislative reports or perform reporting functions that are no longer necessary. Some of these reports have been completed; other reporting functions are obsolete and create inefficiencies for system stakeholders. Current statute also requires that many notices sent to and provided by DWC be physically mailed or personally delivered, which creates system inefficiencies and does not allow DWC the flexibility to determine the best method for delivering or receiving notices.

To promote efficiency, S.B. 1496 would strike the obsolete reporting requirements and would allow electronic transmission of statutorily required communications.

As proposed, S.B. 1496 amends current law relating to certain workers' compensation reporting requirements.

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 402.066(a), Labor Code, to delete existing text including any statutory changes required by an evaluation conducted under Section 402.074 (Strategic Management; Evaluation) from the changes that the commissioner of workers' compensation is required to consider and recommend to the legislature.

SECTION 2. Amends Section 406.007(a), Labor Code, to require an employer who terminates workers' compensation insurance coverage to file a notice with the Division of Workers' Compensation of the Texas Department of Insurance (DWC), rather than file a notice with DWC by certified mail.

SECTION 3. Amends Section 406.008(a), Labor Code, to require an insurance company that cancels a policy of workers' compensation insurance or that does not renew the policy by the anniversary date of the policy to deliver notice of the cancellation or nonrenewal to DWC, and by certified mail or in person to the employer, rather than by certified mail or in person to the employer and DWC by a certain date.

SECTION 4. Amends Section 406.144(d), Labor Code, to require the hiring contractor to send a copy of an agreement to the hiring contractor's workers' compensation insurance carrier and DWC on DWC's request, rather than to the hiring contractor's workers' compensation insurance carrier on filing of the agreement with DWC.

SECTION 5. Amends Section 406.145(c), Labor Code, to require the hiring contractor to send a copy of a signed joint agreement to the hiring contractor's workers' compensation insurance

carrier and DWC, on DWC's request, rather than to the hiring contractor's workers' compensation insurance carrier on filing of the agreement with DWC.

SECTION 6. Amends Section 408.150, Labor Code, as follows:

Sec. 408.150. VOCATIONAL REHABILITATION. (a) Changes reference to the Department of Assistive and Rehabilitation Services (DARS) to the Texas Workforce Commission (TWC). Authorizes the insurance carrier to provide vocational rehabilitation or training services through a private provider of vocational rehabilitation services, rather than a private provider of vocational rehabilitation services under Section 409.012 (Vocational Rehabilitation Information). Deletes existing text requiring DWC to also notify insurance carriers of the need for vocational rehabilitation or training services.

(b) Makes a conforming change.

SECTION 7. Amends Section 409.010, Labor Code, to require the division to send, rather than mail, a certain notice.

SECTION 8. Amends Section 409.011(a), Labor Code, to require the division to send, rather than mail, a certain notice.

SECTION 9. Amends Sections 409.012(b) and (c), Labor Code, to make conforming changes.

SECTION 10. Amends Section 409.013(b), Labor Code, as follows:

(b) Requires DWC, on receipt of a report under Section 409.005 (Report of Injury; Modified Duty Program Notice; Administrative Violation) to:

(1) creates this subdivision from existing text. Contact the affected employee, rather than contact the affected employee by mail or by telephone; and

(2) creates this subdivision from existing text and makes a nonsubstantive change.

SECTION 11. Repealer: Section 402.074 (Strategic Management; Evaluation), Labor Code;

Repealer: Section 406.144(c) (relating to the filing requirement of a certain agreement with DWC by personal delivery or by registered or certified mail), Labor Code;

Repealer: Sections 406.145(b) (relating to requiring a certain agreement to be delivered to DWC by personal delivery or by registered or certified mail) and (d) (relating to requiring DWC to maintain a system for accepting and maintaining the joint agreements), Labor Code;

Repealer: Section 408.032 (Study on Interdisciplinary Pain Rehabilitation Program and Facility Accreditation Requirement), Labor Code;

Repealer: Section 408.086 (Division Determination of Extended Unemployment or Underemployment), Labor Code;

Repealer: Section 409.012(d) (relating to authorizing a private provider of vocational rehabilitation services to register with DWC), Labor Code.

SECTION 12. Makes application of this Act prospective.

SECTION 13. Effective date: upon passage or September 1, 2017.