

AN ACT

relating to the assessment of administrative penalties under the Texas Workers' Compensation Act.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 415.021, Labor Code, is amended by amending Subsection (c) and adding Subsection (c-1) to read as follows:

(c) In assessing an administrative penalty:

(1) the commissioner shall consider:

(A) the seriousness of the violation, including the nature, circumstances, consequences, extent, and gravity of the prohibited act;

(B) the history and extent of previous administrative violations;

(C) the demonstrated good faith of the violator, including actions taken to rectify the consequences of the prohibited act;

(D) the penalty necessary to deter future violations; ~~and~~

(E) whether the administrative violation has negative impact on the delivery of benefits to an injured employee;

(F) the history of compliance with electronic data interchange requirements; and

(G) other matters that justice may require; and

1 (2) the commissioner shall, to the extent reasonable,
2 consider the economic benefit resulting from the prohibited act.

3 (c-1) The commissioner shall adopt rules that require the
4 division, in the assessment of an administrative penalty against a
5 person, to communicate to the person information about the penalty,
6 including:

7 (1) the relevant statute or rule violated;

8 (2) the conduct that gave rise to the violation; and

9 (3) the factors considered in determining the penalty.

10 SECTION 2. Section 415.021(c), Labor Code, as amended by
11 this Act, applies only to an administrative violation that occurs
12 on or after the effective date of this Act.

13 SECTION 3. The commissioner of workers' compensation shall
14 adopt rules under Section 415.021(c-1), Labor Code, as added by
15 this Act, as soon as practicable after the effective date of this
16 Act.

17 SECTION 4. This Act takes effect September 1, 2017.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 1895 passed the Senate on April 26, 2017, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 1895 passed the House on May 17, 2017, by the following vote: Yeas 143, Nays 0, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor