

SUBJECT: Specifying state entity liability in workers' compensation proceedings

COMMITTEE: Business and Industry — favorable, without amendment

VOTE: 7 ayes — Oliveira, Shine, Collier, Romero, Stickland, Villalba, Workman
0 nays

WITNESSES: For — Chris Jones, Combined Law Enforcement Associations of Texas (CLEAT); (*Registered, but did not testify:* Kenneth Casaday, Austin Police Association; TJ Patterson, City of Fort Worth; Todd Harrison, Combined Law Enforcement Associations of Texas; Jimmy Rodriguez, San Antonio Police Officers Association; Glenn Deshields, Texas State Association of Fire Fighters; Noel Johnson, Texas Municipal Police Association (TMPA))

Against — (*Registered, but did not testify:* Tom Tagliabue, City of Corpus Christi; Jesse Ozuna, Mayor's Office, City of Houston; Julie Wheeler, Travis County Commissioners Court)

On — (*Registered, but did not testify:* Stephen Vollbrecht, State Office of Risk Management; Amy Lee, Texas Department of Insurance, Division of Workers' Compensation)

BACKGROUND: Labor Code, ch. 415 governs penalties for administrative violations of the Texas Workers' Compensation Act.

Sec. 504.053 requires self-insured political subdivisions to provide workers' compensation medical benefits to injured employees. However, subsection (e) specifies that this requirement does not waive a political subdivision's right to sovereign immunity.

Some observers suggest that although governmental entities are responsible for adhering to workers' compensation law, some have used the doctrine of sovereign immunity, which protects government entities from being sued, to avoid sanctions and penalties for noncompliance.

DIGEST: HB 1689 would specify that self-insuring political subdivisions and the State Office of Risk Management could be sued for violations of the Texas Workers' Compensation Act for remedies including sanctions and administrative penalties.

This bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2017. The bill would apply only to an administrative violation occurring on or after the effective date.