

BILL ANALYSIS

Senate Research Center

S.B. 837
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Economic Development
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As Filed

DIGEST

Currently, Texas law prohibits discrimination against an employee who has filed a workers' compensation claim and provides for reasonable damages if the employee is discriminated against. The purpose of workers' compensation is to give temporary aid to employees who are injured on the job. If a company chooses to terminate an employee with a workers' compensation claim in the person's background, the employee only has to prove that the employer's motivation for termination was remotely linked to the worker's historical compensation claim and not the actual cause. This bill will limit damages available in a suit for retaliatory discharge due to a workers' compensation claim to economic damages and will place the burden of proof on the employee to prove that the previous workers' compensation claim was the substantial cause of the discharge.

PURPOSE

As proposed, S.B. 837 limits damages available in a suit for retaliatory discharge due to a workers' compensation claim to economic damages, and places the burden of proof on the employee to prove that the previous workers' compensation claim was the substantial cause of the discharge.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 451.001, Labor Code, to prohibit a person from discharging an employee because the employee has taken certain actions. Delete a provision prohibiting any other manner of discrimination against the employee.

SECTION 2. Amends Section 451.002, Labor Code, by amending Subsections (a) and (c) and adding Subsection (d), to provide that a person who violates Section 451.001 is liable only for economic damages, rather than reasonable damages, incurred by the employee as a result of the violation. Provides that the burden of proof is on the employee to establish that an action of the employee protected under Section 451.001 was the substantial cause of the employee's discharge from the position of employment. Defines "economic damages."

SECTION 3. Effective date: September 1, 1997.
Makes application of this Act prospective.

SECTION 4. Emergency clause.