

BILL ANALYSIS

Senate Research Center
76R10103 JMM-F

H.B. 729
By: Hochberg (Barrientos)
Economic Development
5/13/1999
Engrossed

DIGEST

Workers' Compensation Commission rules provide that a benefit check must be issued in a timely fashion. H.B. 729 would specify that payment to the employee must be made by the benefit due date, and would require electronic funds transfer for payments over an extended period of time, at the employee's option.

RULEMAKING AUTHORITY

Rulemaking authority is granted to the Texas Workers' Compensation Commission in SECTION 1 (Section 409.0231, Labor Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 409B, Labor Code, by adding Sections 409.0231 and 409.0232, as follows:

Sec. 409.0231. PAYMENT BY ELECTRONIC FUNDS TRANSFER. Requires insurance carriers to offer employees entitled to payment of benefits, for a period of sufficient duration, the option of receiving payments by electronic funds transfer. Requires the insurance carrier to provide the necessary forms to an employee who requests payments by electronic funds transfer. Authorizes the Texas Workers' Compensation Commission (TWCC) to adopt rules in consultation with the Texas Department of Information Resources as necessary to implement this section, including rules prescribing a period of benefits that are of sufficient duration to allow payment by electronic funds transfer.

Sec. 409.0232. TIMELINESS OF PAYMENTS. Provides that an insurance carrier is considered to have paid benefits in a timely manner if payment is made by electronic funds transfer and deposited in the employee's account by the benefit payment due date, if payment is made by mail and mailed in time for the payment to be postmarked by the benefit payment due date, or if payment is made available for the employee to pick up by the opening of business on the benefit payment due date.

SECTION 2. Effective date: September 1, 1999, except that Section 409.0232, Labor Code, as added by this Act, takes effect upon passage. Makes application of Section 409.0231 of this Act prospective to September 1, 2000. Requires TWCC to adopt the rules required by Section 409.0231 by December 1, 1999.

SECTION 3. Emergency clause.