

BILL ANALYSIS

Senate Research Center
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S.B. 624
By: Duncan
Business & Commerce
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DIGEST AND PURPOSE

Currently, under the workers compensation statutes there is no mention of the use of waivers for employees of employers who do not subscribe to the workers compensation system. As proposed, S.B. 624 prohibits the use of waivers in the workers compensation system by non-subscribing employers.

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 Chapter 408K, Labor Code, by adding Sections 408.204 and 408.205, as follows:

Sec. 408.204. WAIVER, RELEASE, OR COMMUTATION AGREEMENT INVALID.

- (a) Provides that except for a waiver under Section 406.034 or 408.003, an agreement by an individual to waive, release, or commute the individual's right to benefits or any other rights under this subtitle is not valid.
- (b) Provides that an agreement by an individual employed by an employer to pay all or a portion of the costs of the employer's workers' compensation insurance coverage under this subtitle is not valid.

Sec. 408.205. ACCEPTANCE OF REQUIREMENT OF WAIVER PROHIBITED.

Prohibits an employer from requiring or accepting a waiver of a right of an individual employed by the employer under this subtitle.

SECTION 2. Repealer: Sections 502.024, Labor Code (Preexisting Disqualifying Condition) and 503.024, Labor Code (Waiver of Rights).

SECTION 3. Provides that a waiver executed by an employee under Section 502.024 or 503.024, Labor Code, as those sections existed before the effective date of this Act, is void and may not be enforced against the employee who executed the waiver.

SECTION 4. Effective date: upon passage or September 1, 2001.