

**TITLE 28. INSURANCE**

**PART 2. TEXAS DEPARTMENT OF INSURANCE,  
DIVISION OF WORKERS' COMPENSATION**

**CHAPTER 43: INSURANCE COVERAGE**

**REPEAL: §43.15 AND §43.20**

**1. INTRODUCTION.**

The Texas Department of Insurance, Division of Workers' Compensation (Division) adopts the repeal of §43.15, concerning Sanctions; and §43.20, concerning Required Information to Insureds.

The repeal of §43.15 and §43.20 is adopted without changes to the proposal as published in the July 5, 2013, issue of the *Texas Register* (38 TexReg 4295) and the text of the repealed sections will not be published. No comments were received and there was not a request for a public hearing submitted to the Division.

In accordance with Government Code §2001.033, this preamble contains a summary of the factual basis for the repeal, a summary of comments received from interested parties, names of those groups and associations who commented and whether they were in support of or in opposition to adoption of the repeal, and the reasons why the Division agrees or disagrees with the comments and suggestions.

**2. REASONED JUSTIFICATION.**

The Division adopts the repeal of §43.15 because it is outdated and unnecessary. Section 43.15 was adopted effective November 11, 1983 in the Texas Register (8 TexReg 4492). It provides for sanctions against insurance carriers for failing to file notice with the Industrial Accident Board that an employer has become a subscriber (i.e. the employer has obtained workers' compensation insurance coverage) and provides procedures for the imposition of a penalty by the Industrial Accident Board. 28 TAC §42.15(5) defines "board" to mean the Industrial Accident Board of the

State of Texas. The Texas Workers' Compensation Act was enacted under Texas Civil Statutes, Article 8308–1.01 et. seq. and the name of the Industrial Accident Board was changed to the Texas Workers' Compensation Commission. In House Bill 7, the 79<sup>th</sup> Legislature, Regular Session, abolished the Texas Workers' Compensation Commission and established the Division within the Texas Department of Insurance effective September 1, 2005. Currently, other statutes and rules govern insurance carrier notice requirements and administrative violations against insurance carriers, such as Labor Code §406.006, relating to Insurance Coverage and Claim Administration Reporting Requirements; Administrative Violation, and 28 TAC §110.1, relating to Insurance Carrier Requirements for Notifying the Division of Insurance Coverage.

The Division adopts the repeal of §43.20 because it is unnecessary. Section 43.20 was adopted effective October 17, 1989 in the Texas Register (14 TexReg 5259). It provides that, except as otherwise provided, no later than August 1 of each year a workers' compensation insurance carrier shall provide each insured with written information regarding the insured's rights and responsibilities under the workers' compensation laws. This section also requires that information required by the Industrial Accident Board be included, that the document shall be filed with the board no later than August 1, and that in 1989 the date for providing the required information in this section shall be December 1. Section 43.20(b) is unnecessary because on November 10, 1989, the Industrial Accident Board posted its notice of non-enforcement of §43.20(b) in the Texas Register (14 TexReg 5960). Section 43.20(a) is unnecessary because on October 2, 1990 the Texas Workers' Compensation Commission posted its notice of non-enforcement of §43.20(a) in the Texas Register (15 TexReg 5820).

**3. HOW THESE SECTIONS WILL FUNCTION.**

The adoption of the repeal of §43.15 and §43.20 will eliminate outdated and unnecessary sections.

**4. SUMMARY OF COMMENTS AND AGENCY RESPONSES.**

The Division did not receive any comments on the proposed repeal.

**5. STATUTORY AUTHORITY.**

The repeal of §43.15 and §43.20 is adopted pursuant to Labor Code §402.00111 and §402.061. Section 402.00111 provides that the Commissioner of Workers' Compensation shall exercise all executive authority, including rulemaking authority, under the Labor Code. Section 402.061 provides that the Commissioner of Workers' Compensation shall adopt rules as necessary for the implementation and enforcement of Title 5, Labor Code.

**7. TEXT.**

**§43.15. Sanctions.**

**§43.20. Required Information to Insureds.**

**8. CERTIFICATION.**

This agency hereby certifies that the adopted repeal has been reviewed by legal counsel and found to be within the agency's authority to adopt.

Issued at Austin, Texas, on November 12, 2013.

X

Dirk Johnson  
General Counsel  
Texas Department of Insurance,  
Division of Workers' Compensation

**IT IS THEREFORE THE ORDER** of the Commissioner of Workers' Compensation that the repeal of §43.15, concerning Sanctions, and §43.20, concerning Required Information to Insureds is adopted.

AND IT IS SO ORDERED.

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ROD BORDELON  
COMMISSIONER OF WORKERS' COMPENSATION

ATTEST:

X

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Dirk Johnson  
General Counsel

COMMISSIONER ORDER NO