

**CHAPTER 63. PROMPTNESS OF FIRST PAYMENT.
REPEAL OF 28 TAC §63.5.**

INTRODUCTION. The Texas Department of Insurance, Division of Workers' Compensation (DWC) proposes to repeal 28 TAC §63.5, concerning a required Industrial Accident Board quarterly report. The Industrial Accident Board no longer exists, and the authority for the required report was repealed in 1989.

EXPLANATION. Repealing §63.5 is necessary because it was adopted under Vernon's Texas Civil Statutes, Article 8307, §4, which was repealed in 1989 under Acts 1989, 71st Legislature, 2nd Called Session, Chapter 1, §16.01(10), effective January 1, 1991. Article 8307, §4 was not later recodified into the Labor Code.

FISCAL NOTE AND LOCAL EMPLOYMENT IMPACT STATEMENT. Chief Administrative Law Judge Allen Craddock has determined that during each year of the first five years the proposed repeal is in effect, there will be no or minimal measurable fiscal impact on state and local governments as a result of enforcing or administering the section, other than that imposed by the statute. This determination was made because the proposed repeal does not add to or decrease state revenues or expenditures, and because local and state government entities are only involved in enforcing or complying with the proposed amendments when acting in the capacity of a workers' compensation insurance carrier. Those entities will be impacted in the same way as an insurance carrier and will realize the same benefits from the proposed repeal.

Chief Administrative Law Judge Craddock does not anticipate any measurable effect on local employment or the local economy as a result of this proposal.

PUBLIC BENEFIT AND COST NOTE. For each year of the first five years the proposed repeal is in effect, Chief Administrative Law Judge Craddock expects that enforcing and administering the proposed repeal will have the public benefits of ensuring that DWC's rules are current and accurate, which promotes transparent and efficient regulation.

Chief Administrative Law Judge Craddock expects that the proposed repeal will not increase the cost to comply with the Labor Code because the repeal simply removes an obsolete rule.

ECONOMIC IMPACT AND REGULATORY FLEXIBILITY ANALYSIS. DWC has determined that the proposed repeal will not have an adverse economic effect or a disproportionate economic impact on small or micro businesses, or on rural communities because the proposed repeal removes a rule that DWC has determined is no longer necessary because its authority was repealed. The proposed repeal does not change the people the rule affects or impose additional costs. As a result, and in accordance with Government Code §2006.002(c), DWC is not required to prepare a regulatory flexibility analysis.

EXAMINATION OF COSTS UNDER GOVERNMENT CODE §2001.0045. DWC has determined that this proposal does not impose a possible cost on regulated persons. Also, no additional rule amendments are required under Government Code §2001.0045 because the proposed repeal removes a rule that no longer has statutory authority and is no longer necessary. As a result, no additional rule amendments are required under Government Code §2001.0045.

GOVERNMENT GROWTH IMPACT STATEMENT. DWC has determined that for each year of the first five years that the proposed repeal is in effect, the proposed rule:

- will not create or eliminate a government program;

- will not require the creation of new employee positions or the elimination of existing employee positions;
- will not require an increase or decrease in future legislative appropriations to the agency;
- will not require an increase or decrease in fees paid to the agency;
- will not create a new regulation;
- will expand, limit, or repeal an existing regulation;
- will not increase or decrease the number of individuals subject to the rule's applicability; and
- will not positively or adversely affect the Texas economy.

DWC made these determinations because the proposal repeals a rule that is no longer required by statute or any other law. It does not change the people the rule affects or impose additional costs.

TAKINGS IMPACT ASSESSMENT. DWC has determined that no private real property interests are affected by this proposal, and this proposal does not restrict or limit an owner's right to property that would otherwise exist in the absence of government action. As a result, this proposal does not constitute a taking or require a takings impact assessment under Government Code §2007.043.

REQUEST FOR INFORMATION AND PUBLIC COMMENT. DWC requests public comments on the proposal, including information related to the cost, benefit, or effect of the proposal and any applicable data, research, and analysis. DWC will consider any written comments on the proposal that DWC receives no later than 5:00 p.m., Central time, on November 17, 2025. Send your comments to RuleComments@tdi.texas.gov; or

to Texas Department of Insurance, Division of Workers' Compensation, Legal Services, MC-LS, P.O. Box 12050, Austin, TX 78711-2050.

To request a public hearing on the proposal, submit a request before the end of the comment period to RuleComments@tdi.texas.gov; or to Texas Department of Insurance, Division of Workers' Compensation, Legal Services, MC-LS, P.O. Box 12050, Austin, TX 78711-2050. The request for public hearing must be separate from any comments. If DWC holds a public hearing, it will consider written and oral comments presented at the hearing.

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STATUTORY AUTHORITY. DWC proposes repealing §63.5 under Labor Code §§402.00111, 402.00116, and 402.061.

Labor Code §402.00111 provides that the commissioner of workers' compensation shall exercise all executive authority, including rulemaking authority under Title 5 of the Labor Code.

Labor Code §402.00116 provides that the commissioner of workers' compensation shall administer and enforce this title, other workers' compensation laws of this state, and other laws granting jurisdiction to or applicable to DWC or the commissioner.

Labor Code §402.061 provides that the commissioner of workers' compensation shall adopt rules as necessary to implement and enforce the Texas Workers' Compensation Act.

CROSS-REFERENCE TO STATUTE. Repealing §63.5 implements Acts 1989, 71st Legislature, 2nd Called Session, Chapter 1, §16.01(10), effective January 1, 1991.

TEXT.

§63.5. Quarterly Report.

CERTIFICATION. The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

Issued in Austin, Texas, on October 1, 2025.



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