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To: Texas Workers' Compensation System Participants

From: Kara Mace, General Counsel

Date: June 24, 2025

Subject: Legislation Enacted – 89th Legislature, Regular Session, 2025

This memo summarizes selected legislation from the 89th Legislature that affects workers' compensation and the individuals and entities that the Texas Department of Insurance, Division of Workers' Compensation (DWC) regulates.

We are only summarizing provisions of bills that may apply to workers' compensation. Please refer to the **actual legislation** for the complete content. Bills in this memo link directly to the bill text. You may also access the bills and other legislative information at the [Texas Legislature Online website](#).

While DWC provides this memo to aid in your compliance efforts, individuals and entities that DWC regulates are responsible for complying with **all** enacted legislation affecting their business.

[House Bill \(HB\) 331](#) First responder heart attack and stroke presumption changes

HB 331 expands provisions of the Texas Government Code for first responders who experience acute myocardial infarction (heart attack) and stroke. Texas Government Code Section [607.056](#) addresses specific work-related activities that may cause a heart attack or stroke and provides a legal presumption that these conditions are work-related for first responder workers' compensation claims.

The new law strikes "nonroutine" from the "stressful or strenuous physical activity" and adds "law enforcement" as a type of stressful or strenuous physical activity that can lead to a presumption. It also creates an eight-hour timeframe after the first responder's shift ends that the heart attack or stroke can occur and may be presumed to be work-related.

Effective: May 24, 2025

[HB 1306](#) Death investigation professional benefit changes

HB 1306 amends Government Code Chapter [607](#) and Labor Code Chapter [504](#) to define “death investigation professional” and allow for reimbursement of preventative treatment expenses related to contagious diseases that justices of the peace, death investigators, and medical examiners and their employees may be exposed to on the job.

The new law also expands Texas Government Code Chapter [615](#) death benefits to eligible beneficiaries of a death investigation professional killed by a work-related injury or illness. The Employees Retirement System of Texas pays these benefits. These are not workers’ compensation benefits and are unrelated to whether there is a compensable work-related injury.

HB 1306 includes expedited medical benefits for serious bodily injuries as defined by Texas Penal Code Section [1.07](#) for death investigation professionals. These specific injured employees may also request expedited dispute resolution proceedings, including contested case hearings and appeals for denied or disputed medical benefits.

Effective: September 1, 2025

[HB 2488](#) Videoconference contested case hearings

HB 2488 creates new Texas Labor Code Section 410.0055, allowing DWC to conduct contested case hearings by videoconference if all parties agree to hold the hearing in that format. If parties do not agree, DWC can make a “good cause” determination to conduct the hearing by videoconference.

To implement HB 2488, DWC anticipates updates to procedures related to proceedings and system requirements for videoconference hearings. At benefit review conferences held on or after July 7, 2025, parties may agree to have a contested case hearing held by videoconference. If the parties do not agree to hold the hearing by videoconference, either party may file a motion after the benefit review conference with the administrative law judge showing good cause to hold the contested case hearing by videoconference.

Effective: June 20, 2025

[HB 4464](#) Workers’ compensation coverage for Texas Division of Emergency Management (TDEM) disaster response teams

HB 4464 amends the Texas Education Code and Labor Code to make changes to the employer-employee relationships for first responder workers' compensation coverage when working with the Texas intrastate fire mutual aid system, regional incident management teams, and Texas Task Force 1. The new law makes conforming changes to terms in Education Code Chapter [88](#) from "local government" to "political subdivision" for consistency with definitions provided in Labor Code Chapter [504](#).

HB 4464 deletes references to the intrastate fire mutual aid system, regional incident management teams, and Texas Task Force 1 under Labor Code Sections [408.0445](#) and [501.001](#) to remove workers' compensation coverage as a state employee for members of these specific entities. This legislation creates new Labor Code Section 506.003 to establish that, for workers' compensation purposes, any first responder from a government agency activated by TDEM or injured during training sanctioned by Texas Task Force 1 or TDEM is considered to be in the course and scope of the employee's regular employment defined under Labor Code Chapters [501](#), [502](#), [503](#), [504](#), and [505](#).

The new law clarifies each employer-employee relationship to reference when the first responder's workers' compensation coverage is provided by the State under Labor Code Chapter [501](#), Texas A&M under Labor Code Chapter [502](#), or by a political subdivision under Chapter [504](#).

HB 4464 also repeals multiple Education Code and Labor Code sections to remove unnecessary definitions or conflicting references with new Labor Code Section 506.003.

Effective: September 1, 2025

[Senate Bill \(SB\) 14](#) State agency rule reform

SB 14 amends and expands the Texas Government Code regarding agency procedures for adopting rules and imposing regulatory requirements. It also clarifies that a court is not required to give deference to a state agency's legal determination interpreting the law or an adopted rule.

The new law adds Government Code Chapter 465, which creates the Texas Regulatory Efficiency Office and the Texas Regulatory Efficiency Advisory Panel under the Office of the Governor. State agencies must coordinate and comply with new manuals and guides published by the office and the panel to:

- Improve public access to information about state agency rules, forms, and filings;
- Eliminate unnecessary or ineffective rules or other regulatory requirements; and
- Get information related to the cost, benefit, or effect of a proposed rule.

The Secretary of State, Department of Information Resources, and Texas Regulatory Efficiency Office will coordinate with each state agency to establish a public website for searching all agency rules and related information by topic and type of activity or business regulated.

Effective: September 1, 2025

[SB 264](#) Dissolution of the Texas Self-Insurance Group Guaranty Fund

SB 264 amends Texas Labor Code Chapter [407A](#) regarding the Texas Self-Insurance Group Guaranty Fund. The new law adds Labor Code Section 407A.052 stating that the commissioner of insurance may not issue a certificate of approval for any group on or after September 1, 2025.

SB 264 also adds Labor Code Section 407A.4561 directing the fund's board to submit a revised plan of operation to wind down and dissolve the guaranty fund and trust fund for approval by the commissioner of insurance by December 1, 2025.

Effective: September 1, 2025

[SB 815](#) Oversight and requirements for AI use in certain utilization review decisions

SB 815 amends Texas Insurance Code Chapter [4201](#) to restrict how utilization review agents can use AI and allows the commissioner of insurance to audit and inspect a utilization review agent's use of AI at any time. Insurance Code Chapter [4201](#) applies to utilization review of a health care service provided for workers' compensation medical benefits.

Effective: September 1, 2025

[SB 1455](#) Funding mechanism for workers' compensation regulation

SB 1455 amends multiple sections of both the Texas Insurance Code and Labor Code to change the funding mechanism for workers' compensation regulation by replacing the maintenance tax with a "surcharge" on insurance carriers and self-insured entities. Insurance carriers may recover the surcharge through rate filings or a direct charge to policyholders.

The new law clarifies the comptroller's role in collection and enforcement of this surcharge and amends Insurance Code Section [281.006](#) to affirm that surcharges are considered "fees paid in this state" for premium tax purposes.

Effective: January 1, 2026

[HB 2067](#) Declination, cancellation, and nonrenewal of insurance policies

HB 2067 amends Insurance Code Chapter [551](#) by adding notifications for denying an insurance policy in addition to cancelling or choosing nonrenewal as actions that require notice as adopted by the commissioner. The new law also requires insurers to submit to the Texas Department of Insurance quarterly reports summarizing the reasons for denying insurance to applicants or policyholders.

Effective: January 1, 2026

[HB 4144](#) Supplemental income benefit for retired first responders

HB 4144 requires political subdivisions to provide a critical illness supplemental income benefit to retired firefighters and peace officers that are diagnosed with certain diseases, unless the political subdivision provides a health benefit plan to retirees similar to active-duty plans. Political subdivisions must provide either the supplemental income benefit or health benefit plan to eligible retired firefighters and peace officers within three years of their retirement date.

The commissioner of workers' compensation must adjust the supplemental income benefit every 10 years based on the federal consumer price index.

Effective: September 1, 2025