

## **BILL ANALYSIS**

Senate Research Center  
82R18994 JSC-D

H.B. 14  
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Economic Development  
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Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Currently, a person who is laid off or whose employment is otherwise terminated is eligible for unemployment benefits. However, if a person receives wages in lieu of notice, workers' compensation, or disability pay, he or she is not eligible for unemployment benefits while these other types of remuneration are received. Severance pay is not currently included in other types of remuneration that would disqualify a person from unemployment benefits.

H.B. 14 disqualifies a person who receives severance pay from receiving unemployment benefits at the same time. The person would still be eligible for the full term of unemployment benefits after the severance pay ends.

H.B. 14 amends current law relating to the eligibility for unemployment benefits of a person receiving certain forms of remuneration.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Texas Workforce Commission in SECTION 1 (Section 207.049, Labor Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 207.049, Labor Code, as follows:

Sec. 207.049. RECEIPT OF REMUNERATION. (a) Creates this subsection from existing text. Provides that an individual is disqualified for benefits for a benefit period for which the individual is receiving or has received remuneration in the form of wages in lieu of notice; severance pay; or compensation under a state worker's compensation law or a similar law of the United States for temporary partial disability, temporary total disability, or total and permanent disability. Makes nonsubstantive changes.

(b) Defines, in this section, "severance pay."

(c) Authorizes the Texas Workforce Commission to adopt rules as necessary to administer this section.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2011.