BILL ANALYSIS

Senate Research Center 83R11778 MAW-F

H.B. 1550 By: Bell (Van de Putte) Economic Development 4/23/2013 Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under current law, individuals involuntarily separated from employment under certain circumstances qualify for unemployment compensation benefits under the unemployment insurance program administered by the Texas Workforce Commission. However, not all of these circumstances that serve as the basis for an involuntary separation protect the separated employee's former employer from having that claimant's unemployment compensation benefits charged to the employer's account.

H.B. 1550 seeks to expand the instances in which an employer's account is protected from unemployment compensation chargebacks resulting from an employee involuntarily separating from employment.

H.B. 1550 amends current law relating to unemployment compensation chargebacks regarding certain persons who are involuntarily separated from employment.

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 Section 204.022(a), Labor Code, to prohibit benefits computed on benefit wage credits of an employee or former employee from being charged to the account of an employer if the employee's last separation from the employer's employment before the employee's benefit year was due to certain circumstances, including that it was due to a reason that constitutes an involuntary separation under Section 207.046(a)(1) (relating to an individual not being disqualified for benefits if the reason was urgent so as to make the separation involuntary) and does not constitute good cause connected with the employee's work under Section 207.045 (Voluntarily Leaving Work) for the employee to voluntarily leave the employment.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2013.