

BILL ANALYSIS

Senate Research Center
85R10488 SMT-F

H.B. 1433
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Natural Resources & Economic Development
5/1/2017
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Interested parties note that the Texas Workforce Commission (TWC) must begin collection actions to recover a contribution, a penalty, or interest from an employer under the Texas Unemployment Compensation Act before the expiration of the applicable statute of limitations and that, while the statute of limitations is suspended during the administrative appeal process to redetermine the liability for a contribution, a penalty, or interest pending before TWC, the statute of limitations is not suspended for a judicial proceeding to redetermine such liability pending in a court of competent jurisdiction. H.B. 1433 addresses this issue by suspending the running of the statute of limitations during those proceeding.

H.B. 1433 amends the Labor Code to establish that the statute of limitations applicable to TWC for the collection of a contribution, a penalty, or interest from an employer under the Texas Unemployment Compensation Act is suspended in a judicial proceeding to redetermine the liability for a contribution, a penalty, or interest pending in a court of competent jurisdiction.

H.B. 1433 amends current law relating to the statute of limitations applicable to the collection of a contribution, a penalty, or interest under the Texas Unemployment Compensation Act.

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 Sections 213.033(b) and (c), Labor Code, as follows:

(b) Provides that the following actions suspend the running of the limitations period prescribed under Subsection (a) (relating to prohibiting the Texas Workforce Commission to begin a civil action in court or to make an assessment to collect a certain contribution, a penalty, or interest):

(1) makes a nonsubstantive change to this subdivision;

(2) a judicial proceeding to redetermine the liability for a contribution, a penalty, or interest pending in a court of competent jurisdiction; and

(3) redesignates existing Subdivision (2) as Subdivision (3).

(c) Provides that after a hearing, proceeding, or case described by Subsection (b) is closed, the running of the limitations period prescribed under Subsection (a) resumes.

SECTION 2. Effective date: upon passage or September 1, 2017.