

BILL ANALYSIS

Senate Research Center
86R11338 KSD-F

S.B. 1500
By: Zaffirini
Natural Resources & Economic Development
4/8/2019
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under Texas' payday law, a party in a wage claim that is required by the Texas Workforce Commission (TWC) to pay wages or a penalty must, within 30 days after TWC's order becomes final, (1) pay the amount to TWC, or (2) if the party files a petition for judicial review in a court of competent jurisdiction contesting the final order, send the amount to TWC for deposit in an interest-bearing escrow account. Section 61.063(b), Labor Code, also provides that, unless a party files an affidavit of inability to pay with the court clerk within a specific period, the failure to send the amount within that period constitutes a waiver of the right to judicial review.

In *Hawk Leasing Co. v. TWC*, 971 S.W.2d 598, 601 (Tex. App. Dallas 1998), the 5th Court of Appeals ultimately found Section 61.063(b), Labor Code, to be unconstitutional because it improperly restricts access to the courts. Accordingly, S.B. 1500 would repeal that subsection. This legislative action is necessary to provide clarity to employers who may be deterred from pursuing their right to judicial review based on a plain reading of the currently flawed statute.

As proposed, S.B. 1500 amends current law relating to repeal of the waiver of the right to judicial review of a wage claim.

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 the heading to Section 61.063, Labor Code, to read as follows:

Sec. 61.063. PAYMENT TO COMMISSION; ESCROW PENDING REVIEW

SECTION 2. Repealer: Section 61.063(b) (relating to providing that unless the party files an affidavit of inability to pay with the clerk of the court within the specified period, failure to send the amount within that period constitutes a waiver of the right to judicial review), Labor Code.

SECTION 3. Effective date: upon passage or September 1, 2019.