

Amend CSSB 280 (House committee report), between ARTICLES 3 and 4 of the bill (page 15, between lines 8 and 9), by inserting the following new ARTICLE:

ARTICLE 3A. TAX REFUNDS FOR WAGES PAID TO CERTAIN EMPLOYEES  
RECEIVING FINANCIAL ASSISTANCE

SECTION 3A.01. Section 1(b), Article 21.52K, Insurance Code, is amended to read as follows:

(b) The term "group health benefit plan" includes:

(1) a small employer health benefit plan written under Chapter 26 of this code; ~~and~~

(2) a plan provided under Chapter 1551 or 1601 [~~the Texas Employees Uniform Group Insurance Benefits Act (Article 3.50-2, Vernon's Texas Insurance Code), the Texas State College and University Employees Uniform Insurance Benefits Act (Article 3.50-3, Vernon's Texas Insurance Code)~~], the Texas Public School Employees Group Insurance Act (Article 3.50-4, Vernon's Texas Insurance Code), or a successor of any of those plans; and

(3) a medical savings account plan or other health reimbursement arrangement authorized by law.

SECTION 3A.02. Subchapter H, Chapter 301, Labor Code, is amended by amending Sections 301.104 and 301.105 and adding Section 301.108 to read as follows:

Sec. 301.104. ELIGIBILITY. A person is eligible for the refund for wages paid or incurred by the person, during each calendar year for which the refund is claimed, only if:

(1) the wages paid or incurred by the person are for services of an employee who is:

(A) a resident of this state; and

(B) a recipient of:

(i) financial assistance and services in accordance with Chapter 31, Human Resources Code; or

(ii) medical assistance in accordance with Chapter 32, Human Resources Code;

(2) the person satisfies the certification requirements under Section 301.105; and

(3) the person, under an arrangement under Section 32.0422, Human Resources Code, provides and pays for the benefit of

the employee a part of the cost of coverage under:

(A) a health plan provided by a health maintenance organization established under the Texas Health Maintenance Organization Act (Chapter 20A, Vernon's Texas Insurance Code);

(B) a health benefit plan approved by the commissioner of insurance;

(C) a self-funded or self-insured employee welfare benefit plan that provides health benefits and is established in accordance with the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001 et seq.); or

(D) a medical savings account or other health reimbursement arrangement authorized by law [~~under the Health Insurance Portability and Accountability Act of 1996 (26 U.S.C. Section 220)~~].

Sec. 301.105. CERTIFICATION. A person is not eligible for the refund for wages paid or incurred by the person unless the person has received a written certification from the commission that the employee is a recipient of medical assistance or financial assistance and services on or before the day the employee begins employment with the person.

Sec. 301.108. LIMITATION ON CONVEYANCE, ASSIGNMENT, OR TRANSFER OF REFUND. A person may convey, assign, or transfer a refund under this subchapter to another person only if:

(1) the employing unit is sold, conveyed, assigned, or transferred, in the same transaction or in a related transaction, to the person to whom the refund is conveyed, assigned, or transferred; or

(2) the person to whom the refund is conveyed, assigned, or transferred:

(A) is subject to a tax administered by the comptroller and deposited to the credit of the general revenue fund without dedication; and

(B) directly or indirectly owns, controls, or otherwise directs, in whole or in part, an interest in the person from whom the refund is conveyed, assigned, or transferred.

SECTION 3A.03. The changes in law made by this article to

Sections 301.104 and 301.105, Labor Code, apply only to a claim for a refund under Section 301.104 for wages that were paid or incurred on or after the effective date of this Act.