

BILL ANALYSIS

S.B. 1071
By: Jackson
Economic Development
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Currently, an employer is permitted under the Texas Unemployment Compensation Act to make a voluntary contribution to reduce the employer's unemployment tax rate. However, employers must make those contributions within 30 days of the date the Texas Workforce Commission mails the annual tax rate notice to the employer. Some employers have requested more time to make such voluntary contributions. SB 1071 permits the Texas Workforce Commission to prescribe the time period for payment of voluntary contributions.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Workforce Commission in SECTION 1 (Section 204.048, Labor Code) of this bill.

ANALYSIS

SB 1071 amends the Labor Code to allow the Texas Workforce Commission to prescribe the time period for the payment of voluntary contributions, within federal limits.

EFFECTIVE DATE

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2003.