

By: Coleman

H.B. No. 1557

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the eligibility of certain employers for a state tax
3 refund for certain wages paid or incurred.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 301.104, Labor Code, is amended to read
6 as follows:

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

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

12 (A) a resident of this state; and

13 (B) a recipient of:

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

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

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

20 (3) on termination of the employee's transitional
21 medical assistance benefits under Section 32.0255, Human Resources
22 Code, the person provides and pays for the benefit of the employee a
23 part of the cost of coverage under:

24 (A) a health plan provided by a health

1 maintenance organization established under the Texas Health
2 Maintenance Organization Act (Chapter 20A, Vernon's Texas
3 Insurance Code);

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

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

10 (D) a medical savings account authorized under
11 the Health Insurance Portability and Accountability Act of 1996 (26
12 U.S.C. Section 220).

13 SECTION 2. This Act takes effect September 1, 2003, and
14 applies only to wages paid or incurred on or after that date. Wages
15 paid or incurred before that date are governed by the law in effect
16 on the date the wages were paid or incurred, and that law is
17 continued in effect for that purpose.