

BILL ANALYSIS

H.B. 1939
By: Ritter
Economic Development
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Existing law does not require that staff leasing service companies provide their employees with documentation that details the terms of their employment after being released from a client company. This lack of information has led to numerous employees not being eligible for unemployment benefits after being released from a position with a client company.

HB 1939 requires that staff leasing service companies provide written notification that states the terms and conditions of their employees employment.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

SECTION 1. Amends Subchapter D, Chapter 91, Labor Code, to read as follows:

Section 91.0445 REQUIRED NOTICE (a) States that staff leasing service companies must provide written notice under Section 207.045 (i)(1) to employees, and requires that the document be signed by the employee. (b) States requirements for the document to be provided to the employee.

SECTION 2. Amends Labor Code, to read as follows:

Section 207.045 (i-1) States that in order for a staff leasing company to consider that an employee left an assignment without good cause, the staff leasing company must have provided the employee with written notification as provided by Section 91.0445 at the time of the employee's assignment to a client company.

SECTION 3. States that the changes in law made by this Act apply only to unemployment compensation claims made after the effective date of this Act.

SECTION 4. Provides the effective date for this Act.

EFFECTIVE DATE

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2005.