

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION**

**February 28, 2005**

**TO:** Honorable Allan Ritter, Chair, House Committee on Economic Development

**FROM:** John S. O'Brien, Deputy Director, Legislative Budget Board

**IN RE: HB985** by Chavez (Relating to the eligibility of certain victims of family violence for unemployment compensation.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB985, As Introduced: an impact of \$0 through the biennium ending August 31, 2007.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

**General Revenue-Related Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2006	\$0
2007	\$0
2008	\$0
2009	\$0
2010	\$0

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable (Cost) from UNEMPLOYMENT TRST FND ACCT 938</b>
2006	(\$896,651)
2007	(\$896,651)
2008	(\$896,651)
2009	(\$896,651)
2010	(\$896,651)

**Fiscal Analysis**

The bill would amend the Texas Unemployment Compensation Act (TUCA) by excluding from chargeback liability those benefits paid to claimants voluntarily leaving work due to family violence or stalking when advised to do so by an individual authorized who has assisted the employee in addressing the effects of family violence against, or the stalking of, the employee or the employee's family.

The bill would also amend TUCA, Involuntary Separation, by adding a provision which would not disqualify an individual from benefits if the individual left the workplace to protect the individual from family violence or stalking when advised to do so.

The bill would allow a claimant to leave work and remain benefit-eligible, if the reason for the voluntary quit was related to family violence or stalking as described in the bill as involuntary leave.

The bill would take effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If the bill does not receive the vote necessary for immediate effect, the bill would take effect September 1, 2005.

### **Methodology**

According to the Texas Workforce Commission (TWC), since September 1, 2003, 258 claimants filed for benefits under the current family violence/stalking provisions enacted through Senate Bill 280, 78th Legislative Regular Session. Of those, 51 actually qualified for benefits. The remaining 207 claimants were monetarily eligible, but were subsequently disqualified on a non-monetary determination. Assuming that the 207 claimants would now qualify for benefits under the expanded criteria provided, TWC projects an annual \$896,651 impact to the Unemployment Insurance (UI) Trust Fund for the payment of Unemployment Insurance benefits.

For the purposes of this analysis, TWC determined the number of claims filed since September 1, 2003, affected by the current family violence/stalking provisions of TUCA Section 207.046 and eliminated the claimants that qualified (monetarily and non-monetarily) and used the remaining claimant universe as the base for its analysis.

Based on the analysis, all 207 claimants were determined to be monetarily eligible, but were disqualified for non-monetary reasons. TWC states that there is not sufficient information to indicate whether these claimants would indeed qualify under the added provisions, but for the purposes of this analysis, TWC assumes that each of these claimants would indeed qualify. Wage histories and benefit-amount determinations for these claimants were used to establish the projected UI Trust Fund impact.

### **Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 320 Texas Workforce Commission

**LBB Staff:** JOB, JRO, MW, DE