

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

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

**April 11, 2005**

**TO:** Honorable Troy Fraser, Chair, Senate Committee on Business & Commerce

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

**IN RE: SB1408** by Estes (Relating to the review of wage claim disputes by the Texas Workforce Commission.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

The provisions of the bill amend the Labor Code to expressly authorize the Commission to review hearing decisions under Texas Payday Law (TPL) and require the Governor to designate one commissioner as the Chair in connection with this review authority. The provisions of the bill delegate authority over the analysis and investigation of wage claims to an examiner and to authorize examiners, the appeal tribunal, and the Texas Workforce Commission (TWC) to assess an administrative penalty. The provisions establish the wage claim appeal tribunal, which will hear and decide disputed wage claims on appeal and require the wage claim appeal tribunal to promptly mail hearing notices and conduct hearings.

The provisions also require TWC to issue an order of decision following its review of any appeal, the amount of wages ordered, any administrative penalty assessed, and information on the right to judicial review. They establish the 14-day deadline beyond which the Commission order becomes final, unless TWC by order reopens appeal or a motion for rehearing is filed by a party to the appeal.

The provisions also establish jurisdiction of judicial review only after TWC's review but without a requirement to file a motion for rehearing to TWC.

TWC indicates that any costs associated with the bill could be absorbed within the agency's existing resources.

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.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 320 Texas Workforce Commission

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