

BILL ANALYSIS

S.B. 1152
By: Carona
Economic Development
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Under current law, an employer who has an employee qualifying for unemployment insurance as a result of losing a job with a different employer is assessed a chargeback for the benefits collected by that employee. The chargeback is based on a proportional share of an employee's earnings during the base period used to determine the amount of that employee's unemployment insurance.

As proposed, S.B. 1152 exempts employers who have employees who are collecting unemployment insurance as a result of the employee losing another job from being assessed a chargeback for that employee's unemployment insurance.

RULEMAKING AUTHORITY

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

ANALYSIS

SECTION 1. Amends Section 204.022, Labor Code, by adding Subsection (f) to prohibit benefits from being charged to the account of an employer, regardless of whether the liability for the chargeback arises in the employee's current benefit year or in a subsequent benefit year, if the employee was employed by the employer on a part-time basis on the date the employee became eligible for unemployment compensation benefits as a result of losing the employee's full-time employment with a different employer and if the employee has remained continuously employed by the employer on a part-time basis since that date.

SECTION 2. Applies this Act only to a claim of unemployment compensation benefits filed with the Texas Workforce Commission on or after the effective date of this Act.

SECTION 3. States the effective date for this Act.

EFFECTIVE DATE

September 1, 2007.