

## **BILL ANALYSIS**

H.B. 1564  
By: England  
Business & Industry  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Under current law, an individual may be disqualified for unemployment benefits from the State of Texas if the individual is unemployed due to a labor dispute occurring at another workplace that is owned by, or supplied material or services to, the employing unit where the individual is or was employed.

H.B. 1564 allows an individual to receive unemployment benefits if the individual was locked out or placed on emergency leave due to a dispute involving an unrelated labor contract.

### **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**

H.B. 1564 amends the Labor Code to remove, as a disqualification for benefits under the Texas Unemployment Compensation Act for a period in which an individual is totally or partially unemployed, the fact that the individual's unemployment is caused by a labor dispute at another place that is owned or operated by the same employing unit that owns or operates the premises where an individual is or was last employed and that supplies material or services necessary to the continued and usual operating of the premises where an individual was last employed. The bill provides that disqualification for unemployment benefits does not apply to an individual who shows to the satisfaction of the Texas Workforce Commission that the individual has been locked out of the individual's place of employment or has been placed on emergency leave without pay by the individual's employer. The bill establishes that payment of regular union dues by an individual does not constitute financing a labor dispute, which financing would constitute a basis for disqualification for benefits. The bill defines "lock out."

### **EFFECTIVE DATE**

On passage, or, if the act does not receive the necessary vote, the act takes effect September 1, 2009.