

## **BILL ANALYSIS**

S.B. 741  
By: Nichols  
Technology, Economic Development & Workforce  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Under current law, a person is allowed 180 days after wages become due for payment to file a wage claim with the Texas Workforce Commission (TWC). If a wage claim is filed after the 180-day deadline, TWC sends the wage claim back to the claimant, indicating that the wage claim was filed after the statutory deadline. The Supreme Court of Texas ruled that it was not clear that the 180-day deadline is jurisdictional and that if TWC returns a claim because it was filed after the deadline, TWC is making a determination on the merits of the claim. Therefore, a claimant is unable to file a lawsuit for the wage claim because TWC has issued a final decision on the claim according to the ruling.

S.B. 741 amends the Labor Code to state that the 180-day deadline to file a wage claim is a matter of jurisdiction. The bill further amends the Labor Code to require the dismissal of wage claims that are filed later than the 180-day deadline.

### **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**

S.B. 741 amends the Labor Code to clarify that the 180-day deadline for an employee to file a wage claim with the Texas Workforce Commission (TWC) is a matter of jurisdiction. The bill requires a TWC examiner to dismiss a wage claim for lack of jurisdiction if the wage claim is filed later than the 180th day after the date the wages claimed became due for payment.

### **EFFECTIVE DATE**

September 1, 2009.