LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 20, 2009

TO: Honorable Joe Deshotel, Chair, House Committee on Business & Industry

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

IN RE: HB1564 by England (Relating to the eligibility for unemployment benefits of individuals who are unemployed due to certain labor disputes.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Labor Code relating to the eligibility for unemployment benefits of individuals who are unemployed due to certain labor disputes.

The Texas Workforce Commission (TWC) estimates costs to the Unemployment Trust Fund total \$12,190,332 during fiscal years 2010-2014. According to the analysis by the TWC, some individuals who are currently disqualified from receiving unemployment compensation because of a labor dispute that occurs at another location owned or operated by the employer, the individual is "locked out", or the individual is placed on unpaid emergency leave by the employer, would be made eligible for unemployment compensation because of this legislation. This bill would also require minor changes to the Tele-Center fact-finding protocols for claimants separated because of labor disputes or when claimants allege that they have been locked-out or improperly placed on emergency leave. Minimal programming is required for adding determination codes to the automated benefits systems. Based on the analysis of the TWC, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 320 Texas Workforce Commission

LBB Staff: JOB, JRO, MW, NV