

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

Revision 1

May 3, 2009

TO: Honorable Mark Strama, Chair, House Committee on Technology, Economic Development & Workforce

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

IN RE: HB4125 by Harless (Relating to liability for obtaining improper unemployment compensation benefits.), **Committee Report 1st House, Substituted**

According to the analysis by the Texas Workforce Commission (TWC), additional unemployment compensation recoveries of amounts overpaid to claimants are estimated to total approximately \$4.4 million over the 5-year period from 2010-14, and are required to be deposited in the Unemployment Compensation Trust Fund.

The bill would amend the Labor Code relating to the liability for obtaining improper unemployment compensation benefits by revising the currently limited definition of "improper benefit" to that obtained by a claimant or other person who was or is subsequently disqualified or otherwise determined to be ineligible to receive the benefit or payment.

The bill also provides that for any person who receives improper benefits due to a mistake by the commission, the commission shall begin to recover the improper benefits not later than the first anniversary after the date the last improper benefit was paid. The Commission may recover the improper benefits only by deducting the amount of the improper benefits from any future benefits payable to the person, or offering a payment plan to the person.

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