

## **BILL ANALYSIS**

H.B. 2494

By: Legler

Economic & Small Business Development  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Currently, garnishment of wages is not among the collection methods that the Texas Workforce Commission (TWC) may use to recover fraudulently obtained unemployment benefits. When unemployment benefits are obtained fraudulently, the employer-paid unemployment insurance trust fund has less money to pay legitimate claims. Observers note that legislation is required to give the TWC an additional tool to recover unemployment benefits that are obtained by fraudulent means to ensure that the unemployment insurance trust fund is preserved for those who have legitimate unemployment benefits claims, while limiting the impact on Texas businesses that financially support the trust fund. H.B. 2494 aims to address this situation by changing statutes relating to the recovery of fraudulently obtained unemployment benefits.

### **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. 2494 amends the Labor Code to establish that a person who receives benefits through the commission of an offense committed under provisions relating to fraudulently obtaining benefits or other payment is liable for the amount of the fraudulently obtained benefits that the person received. The bill authorizes the Texas Workforce Commission to recover fraudulently obtained benefits by garnishment of wages as an alternative to other means of recovery described in provisions of law. The bill makes conforming changes.

H.B. 2494 defines "fraudulently obtained benefit" and "improper benefit."

### **EFFECTIVE DATE**

The date on which the constitutional amendment proposed by the 82nd Legislature, Regular Session, 2011, authorizing garnishment of wages for the recovery of fraudulently obtained unemployment benefits takes effect, if approved by the voters.