

## **BILL ANALYSIS**

H.B. 2831  
By: Darby  
Economic & Small Business Development  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Extended benefits are unemployment insurance benefits paid to individuals who have exhausted regular benefits. The period of time during which extended benefits may be paid is called an extended benefit eligibility period and depends on the state's total unemployment rate and insured unemployment rate during a specific period of high unemployment. Normally, the cost of extended benefits is shared, with 50 percent of the cost financed by the federal government and the other 50 percent financed in the same manner as regular benefits.

Recently, Congress authorized 100 percent federal financing of extended benefits, and the Texas Legislature authorized the Texas Workforce Commission (TWC) to adjust the extended benefit eligibility period as necessary to maximize receipt of any 100 percent federally funded benefits for the fiscal biennium ending August 31, 2011.

Because Congress subsequently continued full federal funding for the benefits until January 2012, H.B. 2831 would authorize the TWC to adjust the eligibility period by rule to pay extended benefits when 100 percent federal funding is authorized by Congress.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Workforce Commission in SECTION 1 of this bill.

### **ANALYSIS**

H.B. 2831 amends the Labor Code to authorize the Texas Workforce Commission by rule to adjust the extended benefit eligibility period as necessary to maximize the receipt of any fully funded federal extended unemployment benefits, if full federal funding for those benefits is available.

### **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2011.