

BILL ANALYSIS

C.S.H.B. 3068

By: Reynolds

Economic & Small Business Development
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Observers note that a person may not be denied unemployment benefits because the person is in training with the approval of the Texas Workforce Commission, training that often helps the person find full-time work in another sector that is growing or experiencing labor shortages. However, it is further noted that if the training lasts longer than the duration of the person's regular unemployment benefits period, the person may not be able to complete the training. C.S.H.B. 3068 would make such a person eligible for unemployment compensation training benefits, helping more unemployed Texans to complete job training and avoid future layoffs in declining industries.

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

C.S.H.B. 3068 amends the Labor Code to entitle an individual to training benefits under the Texas Unemployment Compensation Act if the individual is unemployed due to a separation from a declining occupation or due to an involuntary and indefinite separation from employment resulting from a permanent reduction of operations at the individual's place of employment; has exhausted all regular benefits; and is enrolled in, and making satisfactory progress toward completion of, a training program approved by the Texas Workforce Commission (TWC) or a job training program under the federal Workforce Investment Act of 1998. The bill requires an individual, to qualify for training benefits, to enroll in an eligible training program not later than the end of the benefit year applicable to the qualifying separation of employment.

C.S.H.B. 3068 entitles an eligible individual to receive training benefits until the earlier of the date the individual completes the training program or the expiration of 26 additional benefit periods. The bill establishes that the weekly amount of training benefits payable to an eligible individual is an amount equal to the individual's average weekly benefit amount for the most recent benefit year and that the training benefits are payable for a period not to exceed one year after the expiration of a benefit year applicable to the qualifying separation from employment. The bill authorizes the TWC to adopt rules necessary to implement the bill's provisions.

EFFECTIVE DATE

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

COMPARISON OF ORIGINAL TO SUBSTITUTE

C.S.H.B. 3068 differs from the original by establishing eligibility for and the duration and amount of unemployment compensation training benefits in relation to certain job trainees, whereas the original establishes eligibility for and the duration and amount of extended unemployment compensation benefits in relation to certain job trainees and makes conforming changes.

C.S.H.B. 3068 differs from the original by making an individual eligible for training benefits if the individual is unemployed due to a separation from a declining occupation or due to an involuntary and indefinite separation from employment resulting from a permanent reduction of operations at the individual's place of employment, among other criteria, whereas the original makes an

individual eligible for extended benefits if the individual is unemployed and is enrolled in certain training programs designed to prepare individuals who have been separated from a declining occupation or who have been involuntarily and indefinitely separated from employment as a result of a permanent reduction of operations at the individual's place of employment, among other criteria.

C.S.H.B. 3068 contains provisions not included in the original relating to the deadline for enrolling in a training program, the period during which training benefits are payable, and rulemaking authority granted to the Texas Workforce Commission.