

BILL ANALYSIS

S.B. 439
By: Van de Putte
Economic & Small Business Development
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Currently, an employer is required to retain the position of an employee who is absent due to a required military obligation. If an employer hires another individual to fill in for the employee on military duty and that individual is terminated when the employee is reinstated upon return from military duty, the employer is liable for the unemployment insurance benefits paid to the terminated individual, if eligibility for such benefits is determined. S.B. 439 would exempt an employer from the chargeback liability for unemployment insurance claims filed by such an individual.

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

S.B. 439 amends the Labor Code to prohibit unemployment compensation benefits computed on benefit wage credits of an employee or former employee from being charged to the account of an employer if the employee's last separation from the employer's employment before the employee's benefit year was caused by the employer's reinstatement of a qualified uniformed service member with reemployment rights and benefits and other employment benefits in accordance with the federal Uniformed Services Employment and Reemployment Rights Act of 1994.

EFFECTIVE DATE

September 1, 2011.