

BILL ANALYSIS

C.S.H.B. 916

By: Orr

Economic & Small Business Development
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Under certain circumstances, the employer of a person who continues to work for that employer but who lost concurrent employment with a different employer and is claiming unemployment compensation benefits for that lost employment may be charged for the benefits due to that employee, with that unemployment compensation chargeback being applied disproportionately between the current and former employers without regard to the actual loss of wages incurred by the employee from the respective employers. C.S.H.B. 916 seeks to clarify the situations under which an unemployment compensation chargeback would be due by an employer currently employing the individual claiming unemployment compensation 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

C.S.H.B. 916 amends the Labor Code to prohibit unemployment compensation benefits computed on benefit wage credits of an employee from being charged to the account of the employer if the employee continued to work the employee's customary hours for the employer when the employee's benefit year began. The bill exempts from this prohibition a claim for unemployment compensation benefits made under the shared work unemployment compensation program.

EFFECTIVE DATE

September 1, 2013.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 916 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and highlighted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Subchapter B, Chapter 204, Labor Code, is amended by adding Section 204.0211 to read as follows:

Sec. 204.0211. CHARGEBACK OF BENEFITS PAID TO PARTIALLY UNEMPLOYED INDIVIDUAL. (a)
Notwithstanding Section 204.021, this

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13.101.1192

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section applies to the determination of the amount of a chargeback to an employer's account based on benefits paid to a claimant during a benefit period in which:

- (1) the claimant is partially unemployed; and
- (2) the employer employs the claimant.

(b) If the claimant works the claimant's customary working hours for the employer during the benefit period, benefits paid to the claimant for that benefit period may not be charged to the employer's account.

(c) If there has been a reduction in the claimant's customary working hours for the employer during the benefit period, the amount of the chargeback to the employer's account based on that benefit period is computed by:

- (1) dividing the number of hours the employee worked for the employer during that benefit period by the number of hours the employee customarily works for that employer during a comparable period; and
- (2) multiplying the quotient by the amount that would be charged back to the employer's account under Section 204.021 based on benefits paid to the claimant during a benefit period in which the employee is totally unemployed.

SECTION 2. The changes in law made by this Act apply only to a claim for unemployment compensation benefits filed with the Texas Workforce Commission on or after the effective date of this Act. A claim filed before the effective date of this Act is governed by the law in effect on the date the claim was filed, and the former law is continued in effect for that purpose.

SECTION 3. This Act takes effect September 1, 2013.

SECTION 1. Section 204.022, Labor Code, is amended by adding Subsection (a-1) to read as follows:

(a-1) Benefits computed on benefit wage credits of an employee may not be charged to the account of an employer if the employee continued to work the employee's customary hours for the employer when the employee's benefit year began. This subsection does not apply to a claim for unemployment benefits made under Chapter 215.

SECTION 2. Substantially the same as introduced version.

SECTION 3. Same as introduced version.