

## **BILL ANALYSIS**

H.B. 950  
By: Thompson, Senfronia  
Economic & Small Business Development  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

The federal Lilly Ledbetter Fair Pay Act of 2009 was passed in response to a recent U.S. Supreme Court decision and clarified that a discriminatory compensation decision occurs each time compensation is paid pursuant to a previous discriminatory compensation decision. Thus, under federal law as clarified by the Lilly Ledbetter act, the statute of limitations period begins each time a claimant who was the object of an alleged unlawful discriminatory employment practice receives a paycheck, rather than from the date the alleged unlawful discriminatory employment practice that resulted in lower pay occurred.

While the framework for employment discrimination claims in Texas is modeled after federal law, recent Texas court cases have held that the protections of the Lilly Ledbetter act are not available under state law. Consequently, interested parties seek uniformity between state and federal antidiscrimination laws so that employees and employers have consistent laws governing employment relations and so that Texans can resolve such issues in nearby state courts, without the added expense of having to proceed in a federal court that may be farther away. H.B. 950 seeks to clarify the statute of limitations with regard to certain claims of unlawful discrimination brought under state law in order to make Texas law consistent with the federal Lilly Ledbetter act.

### **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. 950 amends the Labor Code to specify that, with respect to an allegation of discrimination in payment of compensation in an employment discrimination violation, an unlawful employment practice occurs each time a discriminatory compensation decision or other practice is adopted, each time an individual becomes subject to such a decision or other practice, or each time an individual is adversely affected by application of such a decision or other practice, including each time wages, benefits, or other compensation affected wholly or partly by such a decision or other practice is paid.

H.B. 950 establishes an exception to the prohibition against liability under a back pay award accruing for a date more than two years before the date a complaint is filed with the Texas Workforce Commission civil rights division by authorizing liability under a back pay award to accrue and an aggrieved person to obtain relief as provided by statutory provisions relating to judicial enforcement, including recovery of back pay for up to two years preceding the date of filing the complaint, if the unlawful employment practices that have occurred during the period for filing a complaint are similar or related to unlawful employment practices with regard to discrimination in payment of compensation that occurred outside the period for filing a complaint.

**EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2013.