

BILL ANALYSIS

C.S.H.B. 3563
By: Murphy
Economic & Small Business Development
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Under current law, an individual who has been paid unemployment compensation benefits in the individual's current benefit year equal to or exceeding three times the individual's benefit amount is eligible to receive benefits on the individual's waiting period claim. There is concern that the anticipation of receiving such a large sum may be creating a disincentive for individuals who receive these benefits to actively search for work or to return to work. C.S.H.B. 3563 seeks to eliminate these disincentives and to encourage individuals receiving unemployment compensation benefits to establish full-time employment.

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. 3563 amends the Labor Code to add as a condition of an individual's eligibility to receive unemployment compensation benefits on the individual's waiting period claim in accordance with the Texas Unemployment Compensation Act that the individual has returned to full-time employment, in addition to having been paid benefits in the individual's current benefit year equal to or exceeding three times the individual's benefit amount. The bill adds as an alternative condition for such eligibility that the individual has exhausted the individual's regular benefits for the current benefit year, other than benefits applicable to the waiting period.

EFFECTIVE DATE

September 1, 2013.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 3563 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. Section 207.021(c), Labor Code, is repealed.

SECTION 1. Section 207.021(c), Labor Code, is amended to read as follows:

(c) Notwithstanding any other provision of this section, an individual is eligible to receive benefits on the individual's waiting period claim in accordance with this subtitle if:

(1) the individual ~~[who]~~ has:
(A) been paid benefits in the individual's current benefit year equal to or exceeding three times the individual's benefit amount; and
(B) returned to full-time employment; or
(2) the individual has exhausted the individual's regular benefits for the current benefit year, other than benefits applicable to the waiting period ~~[is eligible to receive benefits on the individual's waiting period claim in accordance with this subtitle]~~.

SECTION 2. The change in law made by this Act applies 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 2. Same as introduced version.

SECTION 3. Same as introduced version.