By: J. Davis of Harris

H.B. No. 939

A BILL TO BE ENTITLED 1 AN ACT 2 relating to repealing the employment and training investment assessment; changing the rate of certain unemployment taxes. 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 4 SECTION 1. Section 204.006(a), Labor Code, is amended to 5 read as follows: 6 A person's contribution rate for the calendar year in 7 (a) which the person becomes an employer is the greater of: 8 (1) the rate established for that year for the major 9 group to which the employer is assigned under Section 204.004[ $_{ au}$ 10 11 less one-tenth of one percent]; or 12 (2) two and <u>seven-tenths</u> [six-tenths] percent. 13 SECTION 2. Section 303.003(a), Labor Code, is amended to read as follows: 14 To achieve the purposes of this chapter, the skills 15 (a) 16 development fund is created. The fund is composed of [+ [(1) money transferred into the fund under Section 17 204.123; and 18 [<del>(2)</del>] any amounts appropriated by the legislature for 19 20 the purpose of this chapter from the general revenue fund. 21 SECTION 3. The following provisions of the Labor Code are repealed: 22 (1) Section 204.0625; 23 24 Subchapter G, Chapter 204; and (2)

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(3) Subchapter F, Chapter 302.

2 SECTION 4. On the effective date of this Act, the employment 3 and training investment holding fund under Section 204.122, Labor 4 Code, and the training stabilization fund under Section 302.101, 5 Labor Code, are abolished and the unexpended balances of those 6 funds shall be transferred as follows:

7 (1) not more than 15 percent of the amount to the Texas
8 Workforce Commission to be used for one-time expenses related to
9 workforce development or the administration of Subtitle A, Title 4,
10 Labor Code; and

(2) the amount remaining in the funds after a transfer under Subdivision (1) of this section to the unemployment compensation fund established under Section 203.021, Labor Code, to be credited to the amounts owed by employers under Section 204.002, Labor Code, in proportion to the amount of the employment and training investment assessments paid by those employers.

SECTION 5. (a) Except as provided by Subsection (b) of thissection, this Act takes effect September 1, 2013.

(b) The changes in law made by this Act in amending Section
20 204.006(a), Labor Code, and repealing Section 204.0625, Labor Code,
21 take effect January 1, 2014.

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