

AN ACT

relating to the shared work unemployment compensation program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

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

(f) Shared work benefits paid under Chapter 215 may not be charged to the account of an employer if the benefits are reimbursed by the federal government under the federal Layoff Prevention Act of 2012 (Pub. L. No. 112-96, Subtitle D, Title II).

SECTION 2. Section 215.001, Labor Code, is amended by amending Subdivision (2) and adding Subdivision (9) to read as follows:

(2) "Fringe benefit" means health insurance, a retirement benefit received under a defined benefit plan, as defined by 26 U.S.C. Section 414(j), or under a defined contribution plan, as defined by 26 U.S.C. Section 414(i) ~~[pension plan]~~, a paid vacation day, a paid holiday, sick leave, or any other similar employee benefit provided by an employer.

(9) "Training" means commission-approved voluntary training sponsored by an employer or funded under the Workforce Investment Act of 1998 (29 U.S.C. Section 2801 et seq.) that is designed to enhance a participant's job skills.

SECTION 3. Section 215.022, Labor Code, is amended to read as follows:

Sec. 215.022. REQUIREMENTS OF SHARED WORK PLAN. (a) The commission may approve a shared work plan if:

(1) the plan:

(A) applies to and identifies a specific affected unit;

(B) identifies the employees in the affected unit by name and social security number and describes how the employees will be notified in advance of the plan, if feasible;

(C) provides an estimate of the number of employees who would be laid off if the employer does not participate in the shared work plan;

(D) ~~[(C)]~~ reduces the normal weekly hours of work for an employee in the affected unit by at least 10 percent but not more than 40 percent;

(E) ~~[(D)]~~ applies to at least 10 percent of the employees in the affected unit; and

(F) permits eligible employees to participate in training ~~[(E) describes the manner in which the participating employer treats the fringe benefits of each employee in the affected unit];~~

(2) the employer certifies that the implementation of a shared work plan and the resulting reduction in work hours is in lieu of ~~temporary~~ layoffs that would:

(A) affect at least 10 percent of the employees in the affected unit; and

(B) result in an equivalent reduction in work hours; ~~and~~

1 (3) the employer certifies that:

2 (A) if the employer currently provides fringe
3 benefits, the fringe benefits continue for employees in the
4 affected unit unless those benefits are not continued for employees
5 not participating in the shared work plan; and

6 (B) participation in the shared work plan is
7 consistent with the employer's obligations under state and federal
8 law; and

9 (4) the employer agrees to furnish the commission
10 reports relating to the operation of the plan as requested by the
11 commission and any other information the United States secretary of
12 labor determines is appropriate.

13 (b) A shared work plan may not be implemented to subsidize a
14 seasonal employer during the off-season [~~or to subsidize an~~
15 ~~employer who traditionally has used part-time employees~~].

16 SECTION 4. The change in law made by this Act applies only
17 to a shared work plan submitted by an employer to the Texas
18 Workforce Commission on or after the effective date of this Act. A
19 shared work plan submitted before the effective date of this Act is
20 governed by the law in effect on the date the plan was submitted,
21 and the former law is continued in effect for that purpose.

22 SECTION 5. This Act takes effect September 1, 2013.

H.B. No. 2035

President of the Senate

Speaker of the House

I certify that H.B. No. 2035 was passed by the House on April 11, 2013, by the following vote: Yeas 135, Nays 9, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 2035 was passed by the Senate on April 25, 2013, by the following vote: Yeas 30, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor