

1-1 By: Metcalf, Meyer (Senate Sponsor - Zaffirini) H.B. No. 2732  
 1-2 (In the Senate - Received from the House May 5, 2015;  
 1-3 May 6, 2015, read first time and referred to Committee on Natural  
 1-4 Resources and Economic Development; May 15, 2015, reported  
 1-5 favorably by the following vote: Yeas 9, Nays 1; May 15, 2015, sent  
 1-6 to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12		X		
1-13	X			
1-14			X	
1-15	X			
1-16	X			
1-17	X			
1-18	X			
1-19	X			

1-20 A BILL TO BE ENTITLED  
 1-21 AN ACT

1-22 relating to recovery of covered unemployment compensation debt  
 1-23 through participation in the federal Treasury Offset Program.

1-24 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-25 SECTION 1. Chapter 214, Labor Code, is amended by adding  
 1-26 Section 214.009 to read as follows:

1-27 Sec. 214.009. RECOVERY OF COVERED UNEMPLOYMENT  
 1-28 COMPENSATION DEBT THROUGH FEDERAL TREASURY OFFSET PROGRAM. (a) In  
 1-29 this section, "program" means the federal Treasury Offset Program  
 1-30 authorized by 26 U.S.C. Section 6402(f).

1-31 (b) The commission may collect the following covered  
 1-32 unemployment compensation debt through the program:

1-33 (1) a past-due debt for erroneous payment of benefits  
 1-34 due to fraud that has become final under law and remains  
 1-35 uncollected;

1-36 (2) a past-due debt for erroneous payment of benefits  
 1-37 due to a person's failure to report earnings, even if  
 1-38 non-fraudulent, that has become final under law and remains  
 1-39 uncollected;

1-40 (3) a past-due employer contribution owed to the  
 1-41 compensation fund for which the commission has determined the  
 1-42 person to be liable and that remains uncollected; and

1-43 (4) any penalties and interest assessed by the  
 1-44 commission on a debt described by Subdivision (1), (2), or (3).

1-45 (c) Before submitting covered unemployment compensation  
 1-46 debt for recovery under the program, the commission must:

1-47 (1) notify the debtor by regular United States mail  
 1-48 that the commission plans to recover the debt through the offset of  
 1-49 any federal tax refund;

1-50 (2) provide the debtor at least 60 days following the  
 1-51 date the notice is provided under Subdivision (1) to present to the  
 1-52 commission evidence that all or part of the debt is not:

1-53 (A) legally enforceable;  
 1-54 (B) due to fraud or unreported earnings; or  
 1-55 (C) a contribution owed to the compensation fund;

1-56 and  
 1-57 (3) consider any evidence presented by the debtor to  
 1-58 determine the amount of debt that is legally enforceable and owed.

1-59 (d) In considering evidence presented by a debtor under  
 1-60 Subsection (c), the commission may determine only whether the  
 1-61 debtor has demonstrated that the debt is not subject to recovery

2-1 through the program so that the commission is able to minimize  
2-2 erroneous offsets. The commission may not review the initial  
2-3 determination establishing the debtor's liability.

2-4 (e) The commission shall assess against the debtor the cost  
2-5 of any administrative fee charged by the United States Department  
2-6 of the Treasury for each offset. The commission may add the  
2-7 assessed amount to the covered unemployment compensation debt that  
2-8 is offset under the program.

2-9 SECTION 2. This Act takes effect September 1, 2015.

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