

AN ACT

relating to the calculation of taxable wages paid by a professional employer organization for purposes of the Texas Unemployment Compensation Act.

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

SECTION 1. Section 91.044, Labor Code, is amended by amending Subsection (a) and adding Subsections (a-1) and (a-2) to read as follows:

(a) A license holder is the employer of a covered employee for purposes of Subtitle A, Title 4, and, except for wages subject to Section 91.032(c), for purposes of Chapter 61.

(a-1) A license holder may, in a calendar year during which an employee becomes a covered employee of the license holder, apply toward the maximum amount of taxable wages established in Section 201.082(1) any wages paid to the employee in that calendar year by:

(1) the client; or

(2) another license holder under a prior professional employer services agreement with that client.

(a-2) In addition to any other reports required to be filed by law, a license holder shall report quarterly to the Texas Workforce Commission on a form prescribed by the Texas Workforce Commission the name, address, telephone number, federal income tax identification number, and classification code according to the North American Industry Classification System [as described in the

1 ~~"Standard Industrial Classification Manual" published by the~~
2 ~~United States Office of Management and Budget]~~ of each client.

3 SECTION 2. Section 201.101, Labor Code, is amended to read
4 as follows:

5 Sec. 201.101. CONFORMITY WITH FEDERAL STATUTES. If the
6 United States secretary of labor holds that Section 91.044(a-1) or
7 a provision of this subtitle does not conform with a federal
8 statute, the commission may administer Section 91.044(a-1) or this
9 subtitle, as applicable, to conform with the federal statute until
10 the legislature meets in its next session and has an opportunity to
11 amend the applicable law [~~this subtitle~~].

12 SECTION 3. The change in law made by this Act applies only
13 to contributions and withholdings required under Subtitle A, Title
14 4, Labor Code, due for employment services rendered on or after
15 January 1, 2016.

16 SECTION 4. This Act takes effect September 1, 2015.

President of the Senate

Speaker of the House

I certify that H.B. No. 3150 was passed by the House on May 7, 2015, by the following vote: Yeas 143, Nays 0, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 3150 was passed by the Senate on May 25, 2015, by the following vote: Yeas 27, Nays 4.

Secretary of the Senate

APPROVED: _____

Date

Governor