

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**April 8, 2017**

**TO:** Honorable René Oliveira, Chair, House Committee on Business & Industry

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB2510** by Longoria (Relating to employer retaliation against employees who seek recovery of unpaid wages by filing a wage claim with the Texas Workforce Commission.),  
**As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB 2510, As Introduced: an impact of \$0 through the biennium ending August 31, 2019.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

**General Revenue-Related Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2018	\$0
2019	\$0
2020	\$0
2021	\$0
2022	\$0

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable (Cost) from Unempl Comp Sp Adm Acct 165</b>	<b>Change in Number of State Employees from FY 2015</b>
2018	(\$246,261)	2.8
2019	(\$232,761)	2.8
2020	(\$232,761)	2.8
2021	(\$232,761)	2.8
2022	(\$232,761)	2.8

## **Fiscal Analysis**

The bill would amend the Labor Code relating to employer retaliation against employees who seek recovery of unpaid wages by filing a wage claim with the Texas Workforce Commission (TWC).

The bill would allow an employee to file a complaint with TWC for suspected employer retaliation. The bill would require TWC to investigate complaints, incorporate the investigation into any ongoing investigation of an underlying wage claim filed by the employee, and post the complaint process online. The bill would also require TWC to order an employer in violation to pay the employee damages in an amount equal to the greater of \$1,000 or the amount of wages ordered to be paid in the underlying wage claim.

The bill would take effect September 1, 2017.

## **Methodology**

Based on information provided by TWC, it is estimated that implementing the provisions of the bill would result in an additional 320 retaliation complaints annually. TWC would require 2.8 Full-Time-Equivalent (FTE) positions per year for a total five-year impact of \$1,177,305 from General Revenue-Dedicated Unemployment Compensation Special Administration Account 165 to handle the increased workload. The agency estimates that these FTEs would require recurring costs of \$145,558 in salaries, \$2,183 in payroll contribution costs, and \$51,120 in related support and benefit costs each fiscal year. Additional program costs include one-time costs of \$13,500 for new staff workstations, and recurring costs of \$21,805 for indirect administration costs, \$8,681 for other related operating expenses, \$2,169 for professional services, and \$1,245 for computer leases.

## **Technology**

TWC estimates recurring technology costs of \$1,245 each fiscal year related to the computer leases for the new FTEs required to implement the provisions of the bill.

## **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 320 Texas Workforce Commission

**LBB Staff:** UP, CL, EH, CP, NV, JLi