

By: Sherman, Sr.

H.B. No. 3823

A BILL TO BE ENTITLED

AN ACT

relating to a paid family care leave incentive for certain employers.

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

SECTION 1. Subtitle D, Title 2, Labor Code, is amended by adding Chapter 83 to read as follows:

CHAPTER 83. PAID FAMILY CARE LEAVE INCENTIVE

Sec. 83.001. DEFINITIONS. In this chapter:

(1) "Employee" means an individual who performs services for an employer for compensation under an oral or written contract of hire, whether express or implied. The term does not include an independent contractor.

(2) "Employer" means a business entity that employs one or more employees.

Sec. 83.002. POLICY INCENTIVE. An employer qualifies for an exemption from the franchise tax under Section 171.089, Tax Code, if the employer adopts a family care leave policy under which an employee is entitled to at least:

(1) four weeks of paid leave following giving birth to a child;

(2) two weeks of paid leave following the birth of the employee's child, if Subdivision (1) does not apply to the employee; and

(3) two weeks of paid leave following the adoption of a

1 child by the employee or placement of a foster child with the
2 employee.

3 SECTION 2. (a) Subchapter B, Chapter 171, Tax Code, is
4 amended by adding Section 171.089 to read as follows:

5 Sec. 171.089. EXEMPTION--CERTAIN EMPLOYERS WHO ADOPT
6 FAMILY CARE LEAVE POLICIES. A corporation is exempted from the
7 franchise tax if the corporation adopts an employment leave policy
8 described by Chapter 83, Labor Code.

9 (b) This section applies only to a report originally due on
10 or after the effective date of this Act.

11 SECTION 3. This Act takes effect January 1, 2020.