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By:  Rodriguez H.B. No. 157

A BILL TO BE ENTITLED

AN ACT

relating to requirements regarding an employee's normal weekly hours of work under the shared work unemployment compensation program.

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

SECTION 1.  Section 215.022(a), Labor Code, is amended to read as follows:

(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)  reduces the normal weekly hours of work for an employee in the affected unit by at least 10 percent but not more than 60 [~~40~~] percent;

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

(F)  permits eligible employees to participate in training;

(2)  the employer certifies that the implementation of a shared work plan and the resulting reduction in work hours is in lieu of 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;

(3)  the employer certifies that:

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

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

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

SECTION 2.  Section 215.041(b), Labor Code, is amended to read as follows:

(b)  An individual is eligible to receive shared work benefits for a week in which:

(1)  the individual is employed as a member of an affected unit subject to a shared work plan that was approved before that week and is in effect for that week;

(2)  the individual is able to work and is available for additional hours of work or for full-time work with the participating employer; and

(3)  the individual's normal weekly hours of work have been reduced by at least 10 percent but not more than 60 [~~40~~] percent, with a corresponding reduction in wages.

SECTION 3.  (a)  The change in law made by this Act applies only to an initial shared work plan or a shared work plan modification submitted by an employer to the Texas Workforce Commission on or after the effective date of this Act. An initial shared work plan or a shared work plan modification submitted before the effective date of this Act is governed by the law as it existed on the date the plan or modification was submitted, and the former law is continued in effect for that purpose.

(b)  A shared work plan modification submitted to the Texas Workforce Commission on or after the effective date of this Act that modifies a shared work plan approved by the commission before the effective date and would reduce an individual's normal weekly hours of work more than 40 percent is considered to be a substantial modification under Section 215.025, Labor Code, and the modified plan must be evaluated and approved by the commission as provided by that section before implementation.

SECTION 4.  This Act takes effect September 1, 2021.