

BILL ANALYSIS

H.B. 1055
By: Turner
Business & Industry
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Current law disqualifies workers from being eligible for unemployment insurance benefits if their unemployment is affected by a labor dispute at another place owned or operated by their employer. This is unfair because benefits can be denied to the worker even when they are not involved in the dispute and the dispute occurs at a different location. H.B. 1055 seeks to ensure that Texans are not penalized and denied benefits in these instances by removing a provision disqualifying an individual from eligibility for unemployment compensation on the basis of their unemployment being caused by a labor dispute at another place owned and operated by the same employing unit that owns or operates the premises where the individual is or was last employed.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 1055 amends the Labor Code to remove a provision disqualifying an individual for unemployment benefits for a benefit period in which their total or partial unemployment is caused by a labor dispute at another place that:

- is owned or operated by the same employing unit that owns or operates the premises where the individual is or was last employed; and
- supplies material or services necessary to the continued and usual operation of those premises.

H.B. 1055 exempts from disqualification due to a labor dispute an individual who shows to the satisfaction of the Texas Workforce Commission that the person has been locked out of their place of employment or the person has been placed on emergency leave without pay by their employer. The bill defines "locked out" as an employer's denial of entry to employees who have neither gone on strike nor notified the employer of a date on which they intend to go on strike. The bill establishes that, for purposes of the existing exemptions from disqualification for individuals who show that they are not financing the applicable labor dispute, the payment of regular union dues does not constitute financing the dispute.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2023.