By:  Zaffirini S.B. No. 1079

A BILL TO BE ENTITLED

AN ACT

relating to the establishment of a paid parental leave program administered by the Texas Workforce Commission; imposing an employer contribution.

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

SECTION 1.  Subtitle B, Title 4, Labor Code, is amended by adding Chapter 319 to read as follows:

CHAPTER 319. PAID PARENTAL LEAVE FOR CERTAIN EMPLOYEES

Sec. 319.001.  DEFINITIONS. In this chapter:

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

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

(3)  "Program" means the Texas Family Fund Program established under Section 319.002.

Sec. 319.002.  ESTABLISHMENT OF PROGRAM; RULEMAKING. (a) The commission shall establish the Texas Family Fund Program to administer, distribute payments for, and assess contributions for paid parental leave under this chapter.

(b)  The commission shall adopt rules as necessary to implement this chapter.

Sec. 319.003.  PAID PARENTAL LEAVE FOR CERTAIN EMPLOYEES. (a) This section applies only to an employee who:

(1)  has worked for the employer:

(A)  not less than 540 hours during the preceding six months; or

(B)  on a full-time basis during the preceding three months.

(b)  Subject to Subsections (c) and (d), an employee is entitled to 12 weeks of paid leave funded by the program for the:

(1)  birth of a child;

(2)  birth of a child by the employee's spouse;

(3)  birth of a child by a gestational surrogate; or

(4)  adoption of a child.

(c)  An employee who takes paid leave under Subsection (b) is entitled to paid leave for each week of paid leave taken under that subsection in an amount equal to:

(1)  100 percent of the employee's weekly wage if the employee is paid:

(A)  an hourly rate that is not greater than $15 an hour; or

(B)  an annual salary as a full-time employee that is not greater than $31,200;

(2)  95 percent of the employee's weekly wage if the employee is paid:

(A)  an hourly rate that is more than $15 an hour and not greater than $20 an hour; or

(B)  an annual salary as a full-time employee that is more than $31,200 and not greater than $41,600; or

(3)  80 percent of the employee's weekly wage or $1,000, whichever amount is less, if the employee is paid:

(A)  an hourly rate that is more than $20 an hour; or

(B)  an annual salary as a full-time employee that is more than $41,600.

(d)  This section does not entitle an employee to leave in addition to any leave the employee is entitled to under the federal Family and Medical Leave Act of 1993 (29 U.S.C. Section 2601 et seq.). An employee is not entitled to paid leave under this section for any period during which the employee is taking other paid leave.

(e)  An employee who qualifies for leave under this section under Subsection (a)(1)(A) only may not take leave under this section:

(1)  later than the first anniversary of the date of birth or adoption of a child described by Subsection (b); and

(2)  more than one time during a 12-month period.

Sec. 319.004.  EMPLOYER CONTRIBUTION. (a) Except as provided by Subsection (d), an employer shall pay a contribution on wages paid during a calendar year. The contribution shall be paid to the commission in accordance with rules adopted by the commission.

(b)  An employer's contribution under Subsection (a) is an amount equal to 0.15 percent of all wages paid by the employer during the calendar year.

(c)  An employer may not deduct any part of a contribution under this section from the wages of an individual.

(d)  This section does not apply to an employer that maintains a self-funded paid leave policy.

Sec. 319.005.  ADMINISTRATION OF CONTRIBUTIONS. (a) On receipt of contributions under Section 319.004, the commission shall forward the contributions to the comptroller.

(b)  The comptroller shall immediately deposit contributions under this chapter in the Texas Family Fund.

(c)  The comptroller is custodian of the Texas Family Fund and shall administer the fund in accordance with the directions of the commission. The comptroller shall issue warrants on the Texas Family Fund for the payment of paid leave under this chapter in accordance with rules adopted by the commission.

Sec. 319.006.  TEXAS FAMILY FUND. (a) The Texas Family Fund is a special fund.

(b)  The fund consists of:

(1)  contributions collected under this chapter;

(2)  interest earned on money in the fund; and

(3)  other money received for the fund from any other source.

(c)  Benefits are due and payable only to the extent money is available for that purpose in the fund. This state and the commission are not liable for any amount in excess of the amount in the fund.

SECTION 2.  Not later than January 1, 2024, the Texas Workforce Commission shall:

(1)  establish the Texas Family Fund Program in accordance with Section 319.002, Labor Code, as added by this Act; and

(2)  adopt rules necessary to implement Chapter 319, Labor Code, as added by this Act.

SECTION 3.  An employee is not entitled to paid leave under Chapter 319, Labor Code, as added by this Act, before September 1, 2024.

SECTION 4.  This Act takes effect September 1, 2023.