

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

**FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION**

**March 26, 2023**

**TO:** Honorable Oscar Longoria, Chair, House Committee on Business & Industry

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB1242** by Hernandez (Relating to the eligibility for unemployment compensation of certain employees who leave the workplace to care for a minor child.), **As Introduced**

<b>No fiscal implication to the State is anticipated.</b>
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The bill would amend the Labor Code to include among the forms of involuntary separation for which an individual is not disqualified from receiving unemployment compensation under the Texas Unemployment Compensation Act an individual leaving the workplace to care for their minor child due to an unexpected illness, accident, or other unforeseeable event for which no reasonable, alternative care was available.

It is assumed that the costs associated with the bill's provisions relating to the eligibility for unemployment compensation of certain employees who leave the workplace to care for a minor child could be absorbed using existing resources.

The Texas Workforce Commission estimates the Unemployment Trust Fund would see an increase of approximately 210 claims per year due to the provisions in the bill. These claims would result in a total cost of approximately \$1,449,000 in fiscal year 2024 and \$1,508,217 in fiscal year 2025 to the Unemployment Trust Fund. The five-year total cost would be \$7,900,213.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 320 Texas Workforce Commission

**LBB Staff:** JMc, SZ, GDZ, LBI