

BILL ANALYSIS

C.S.H.B. 2788
By: Button
Trade, Workforce & Economic Development
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Currently, an individual can request details on fraud prevention-related contracts, data, and protocols of the Unemployment Benefits Program of the Texas Workforce Commission (TWC) through a public information request. TWC is obligated to provide the information under state public information law, which, the author has informed the committee, may then be used as a blueprint to circumvent the TWC's fraud detection and prevention methods. C.S.H.B. 2788 seeks to ensure the integrity of the Unemployment Benefits Program by providing an exception to state public information law requirements for TWC's fraud detection information.

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

C.S.H.B. 2788 amends the Labor Code to establish that fraud detection information is not public information for purposes of state public information law and is excepted from the public availability requirement of that law. The bill defines "fraud detection information" as any information, including risk assessments, reports, data, protocols, technology specifications, manuals, instructions, investigative materials, crossmatches, mental impressions, and communications, that may reveal the methods or means by which the Texas Workforce Commission (TWC) prevents, investigates, or evaluates fraud in its administration of the Texas Unemployment Compensation Act.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2025.

COMPARISON OF INTRODUCED AND SUBSTITUTE

While C.S.H.B. 2788 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The introduced defines "fraud detection information" as any information that may reveal the methods or means by which TWC prevents, detects, investigates, or evaluates fraud in the administration of unemployment compensation benefits and the unemployment compensation

tax programs, whereas the substitute defines the term as any information that may reveal the methods or means by which TWC prevents, investigates, or evaluates fraud in its administration of the Texas Unemployment Compensation Act. Additionally, the substitute includes an explicit exception from the public availability requirement of state public information law for fraud detection information, which did not appear in the introduced.