

## **BILL ANALYSIS**

C.S.H.B. 1432  
By: Vo  
Economic & Small Business Development  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Interested parties contend that the Texas Workforce Commission (TWC) does not have the authority to cash a warrant issued with a restricted or conditional endorsement that would settle a debt for contributions, penalties, or interest owed by an employer under the Texas Unemployment Compensation Act for less than the amount owed, which causes the TWC to return such warrants. C.S.H.B. 1432 seeks to address this issue by voiding certain restrictions or conditions placed on a payment instrument used to settle such debts.

### **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. 1432 amends the Labor Code to prohibit a person from placing on a payment instrument remitted to the Texas Workforce Commission (TWC) any restriction or condition purporting to limit the amount of contributions, penalties, or interest owed to the TWC by an employer under the Texas Unemployment Compensation Act. The bill voids a restriction or condition that violates this prohibition.

### **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2017.

### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

C.S.H.B. 1432 differs from the original in minor or nonsubstantive ways by conforming to certain bill drafting conventions.