

BILL ANALYSIS

H.B. 48
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International Relations & Economic Development
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Concerns have been raised about wage theft as a public policy problem disproportionately affecting Texas' low-wage and high-risk workforce. H.B. 48 seeks to address this concern by creating a publicly accessible database that provides information on wage theft cases to better inform workers and consumers of companies' history regarding this issue.

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 rulemaking authority is expressly granted to the Texas Workforce Commission in SECTION 1 of this bill.

ANALYSIS

H.B. 48 amends the Labor Code to require the Texas Workforce Commission (TWC) to establish not later than December 1, 2019, and to make available on the TWC website a publicly accessible database of all employers in Texas that, on or after the bill's effective date, have been assessed an administrative penalty for acting in bad faith in not paying wages, have been ordered to pay wages by a final order of the TWC and failed to comply with applicable payment requirements, or have been convicted of an offense of failure to pay wages or an offense of theft of service that involved the theft of a service rendered by an employee of the employer. The bill requires the database to include, for an employer that is a business entity, the name under which the entity operates and the name of each individual who is an owner of the entity and actively involved in the management of the entity. The bill requires the TWC to provide notice to an employer not later than the 180th day before the date the employer is listed in the database and to establish by rule a process by which an employer may, at any time after receiving such notice, dispute the employer's inclusion in the database. The process must require the TWC to investigate and make a final determination regarding such an employer dispute not later than the 21st day after the date the dispute is filed. The bill requires the TWC to list an employer in the database until the third anniversary of the date the penalty is assessed or the employer is convicted.

H.B. 48 requires an attorney representing the state to report to the TWC the name of each employer that is prosecuted and convicted in the attorney's jurisdiction of an offense triggering inclusion in the database. For purposes of the bill's provisions, a person has been convicted of an offense if the person was adjudged guilty of the offense or entered a plea of guilty or nolo contendere in return for a grant of deferred adjudication community supervision, regardless of whether the sentence for the offense was ever imposed or whether the sentence was probated and the person was subsequently discharged from community supervision. The bill expressly does

not impose any additional requirement on a contractor performing work under a contract that is subject to Government Code provisions relating to prevailing wage rates for public work contracts, the federal Davis-Bacon Act, or another federal law that makes that federal act applicable to the contract.

EFFECTIVE DATE

September 1, 2019.