

BILL ANALYSIS

Senate Research Center

H.B. 598
By: Shields (Wentworth)
Jurisprudence
4-29-97
Engrossed

DIGEST

Currently, costs of administration expenses can be burdensome to nonprofit organizations, small businesses, and other employees. It is necessary to allow the recovery of administrative expenses associated with complying with a wage order, from the employee, for the repayment of student loans issued by the Guaranteed Student Loan Corporation, or other analogous state or federal wage orders. This bill sets forth requirements for deducting an administrative fee for certain costs incurred by employers for administrative expenses associated with a wage order.

PURPOSE

As proposed, H.B. 598 sets forth requirements for deducting an administrative fee for certain costs incurred by employers for administrative expenses associated with a wage order.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 63.004, Civil Practice and Remedies Code, to provide that, except as otherwise provided by state or federal law, current wages for personal service are not subject to garnishment.

SECTION 2. Amends Chapter 63, Civil Practice and Remedies Code, by adding Section 63.006, as follows:

Sec. 63.006. ADMINISTRATIVE FEE FOR CERTAIN COSTS INCURRED BY EMPLOYERS. Sets forth requirements for deducting an administrative fee for certain costs incurred by employers. Provides that this section does not apply to income withholding under Chapter 158, Family Code. Prohibits the administrative fee deducted under Subsection (a) from exceeding the lesser of the actual administrative cost incurred or \$10. Defines "withholding order."

SECTION 3. Effective date: September 1, 1997.
Makes application of this Act prospective.

SECTION 4. Emergency clause.