BILL ANALYSIS

Senate Research Center 76R556 PB-D

H.B. 946 By: Farrar Economic Development 5/14/1999 Engrossed

DIGEST

In recent months, some employers have placed a general disclaimer on the back of their employees' paychecks that states, "By endorsing this check you agree that you have not been injured." This disclaimer may deter an injured employee from seeking workers' compensation benefits to which the employee is entitled under Texas law. H.B. 946 prohibits an employer from placing on, or attaching to, a negotiable instrument used to pay wages to an employee, a disclaimer stipulating that acceptance of wages constitutes a waiver of the right to claim benefits such as workers' and unemployment compensation benefits. Under this bill, an employer who violates this prohibition is considered not to have paid the wages for which the violation occurred, and commits an offense punishable as a Class A misdemeanor.

PURPOSE

As proposed, H.B. 946 prohibits the waiver of certain employment benefits by the acceptance of the payment of wages, and provides a penalty for violations of this Act.

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 Subchapter B, Chapter 61, Labor Code, by adding Section 61.0165, as follows:

Sec. 61.0165. WAIVER OF CLAIMS BY ACCEPTANCE OF WAGES PROHIBITED; CRIMINAL PENALTY. Prohibits an employer from placing on, or attaching to, a negotiable instrument used to pay wages to an employee, a disclaimer stipulating that acceptance of wages constitutes a waiver of the right to claim benefits such as workers' and unemployment compensation benefits. Provides that, for purposes of Chapter 61, an employer who violates this prohibition is considered not to have paid the wages for which the violation occurred. Creates an offense punishable as a Class A misdemeanor for an employer who violates this prohibition.

SECTION 2. Amends Subchapter A, Chapter 91, Labor Code, by adding Sec. 91.005, as follows:

Sec. 91.005. LICENSE HOLDER AS EMPLOYER. Provides that a license holder is an employer for purposes of Section 61.0165.

SECTION 3. Amends Section 92.021, Labor Code, by adding Subsection (c), which provides that a license holder is an employer for purposes of Section 61.0165.

SECTION 4. Amends Sections 93.002 and 93.003, Labor Code, as follows:

Sec. 93.002. New heading: RESTRICTIONS BASED ON EDUCATIONAL CREDENTIALS PROHIBITED. Creates Subsection (a) from existing text. Establishes that Section 93.002 does not create a private cause of action for any person or class of persons.

Sec. 93.003. New heading: TEMPORARY EMPLOYMENT SERVICE AS EMPLOYER. Provides that a temporary employment service is an employer for purposes of Section 61.0165.

SECTION 5. Emergency clause.

Effective date: upon passage.