

## **BILL ANALYSIS**

Senate Research Center  
76R6822 CMR-F

S.B. 774  
By: Lucio  
Natural Resources  
4/7/1999  
As Filed

### **DIGEST**

Currently, most agricultural producers pay the maximum rate for unemployment compensation taxes, as required for employers of full time employees. However, many agricultural laborers are seasonal employees. This bill provides for the reduction of payment of unemployment compensation tax contributions by certain employers engaged in agriculture with seasonal employees.

### **PURPOSE**

As proposed, S.B. 774 provides for the reduction of payment of unemployment compensation tax contributions by certain employers engaged in agriculture with seasonal employees.

### **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 204.007, Labor Code, as follows:

Sec. 204.007. New heading: SPECIAL RATE; CERTAIN EMPLOYERS ENGAGED IN AGRICULTURE. Identifies certain employers engaged in the production of various products to which this section applies. Authorizes employers subject to this section to elect to pay a contribution at a certain fixed rate instead of paying a contribution based on certain tax rates. Redesignates existing Subsection (b) as Subsection (c). Makes nonsubstantive changes.

SECTION 2. Effective date: September 1, 1999.

SECTION 3. Emergency clause.