

## **BILL ANALYSIS**

Senate Research Center

H.B. 2028  
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Business & Commerce  
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Engrossed

### **DIGEST AND PURPOSE**

Under the current system, if a business files bankruptcy or goes out of business and owes wages to its employees, the priority for lost wages is generally low. The Texas Workforce Commission (TWC) assists employees with claims to recover their lost wages and frequently has to file in district courts to obtain these wages, which is costly to the state. H.B. 2028 provides that a lien established by TWC against an employer indebted to the state for penalties or wages is superior to any other lien on the same property, including a lien for ad valorem taxes.

### **RULEMAKING AUTHORITY**

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

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 61E, Labor Code, by adding Section 61.0825, as follows:

Sec. 61.0825. PRIORITY OF LIEN. Provides that a lien established under this subchapter is superior to any other lien on the same property, with the exception of a lien for ad valorem taxes.

SECTION 2. Effective date: September 1, 2001. Provides that this Act applies to a lien imposed by the Texas Workforce Commission under Chapter 61, Labor Code, without regard to whether the lien was imposed before, on, or after that date.