

## **BILL ANALYSIS**

Senate Research Center  
78R5135 JMM-D

H.B. 1221  
By: Telford (Van de Putte)  
Veteran Affairs & Military Installations  
5/1/2003  
Engrossed

### **DIGEST AND PURPOSE**

Currently, when a member of the United States armed forces who owns a small business is called to active duty and lays off employees, the business owner's unemployment premiums increase when the former employees claim their unemployment benefits. H.B. 1221 exempts such small business owners from an increase in unemployment insurance when employees are laid off because of the business owner's active military service in any branch of the United States armed forces.

### **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 Section 204.022(a), Labor Code, to prohibit benefits computed on benefit wage credits of an employee or former employee from being charged to the account of an employer if the employee's last separation from the employer's employment before the employee's benefit year was caused by the employer being called to active military service in any branch of the United States armed forces on or after January 1, 2003.

SECTION 2. Effective date: upon passage or September 1, 2003.