

BILL ANALYSIS

Senate Research Center
82R8813 JSC-F

H.B. 2831
By: Darby (Elife)
Economic Development
4/28/2011
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Extended benefits are unemployment insurance benefits paid to individuals who have exhausted regular benefits. The period of time during which extended benefits may be paid is called an extended benefit eligibility period and depends on the state's total unemployment rate and insured employment rate during a specific period of high unemployment. Normally, the cost of extended benefits is shared, with 50 percent of the cost financed by the federal government and the other 50 percent financed in the same manner as regular benefits.

Recently, Congress authorized 100 percent federal financing of extended benefits, and the legislature authorized the Texas Workforce Commission (TWC) to adjust the extended benefit eligibility period as necessary to maximize receipt of any 100 percent federally funded benefits for the fiscal biennium ending August 31, 2011.

Because Congress subsequently continued full federal funding for the benefits until January 2012, H.B. 2831 authorizes TWC to adjust the eligibility period by rule to pay extended benefits when 100 percent federal funding is authorized by Congress.

H.B. 2831 amends current law relating to maximizing federal funding of extended unemployment benefits.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Workforce Commission in SECTION 1 (Section 209.025, Labor Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter B, Chapter 209, Labor Code, by adding Section 209.025, as follows:

Sec. 209.025. FEDERAL FUNDING OF EXTENDED BENEFITS. Authorizes the Texas Workforce Commission, notwithstanding any other provision of this subchapter, by rule to adjust the extended benefit eligibility period as necessary to maximize the receipt of any fully funded federal extended unemployment benefits, if full federal funding for those benefits is available.

SECTION 2. Effective date: upon passage or September 1, 2011.