

BILL ANALYSIS

Senate Research Center
83R9409 MAW-F

H.B. 2034
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Economic Development
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Section 207.052 (Leaving Work to Attend Educational Institution), Labor Code, of the Texas Unemployment Compensation Act (Act) recognizes a long-standing expectation in Texas unemployment insurance law that an individual is disqualified from benefits if he or she leaves work to attend school or training unless such training is approved by the Texas Workforce Commission (TWC). As currently written, however, Subsection (a) of that section is an anachronistic reference to benefit disqualification provisions that are no longer applicable. In previous iterations of the Act's disqualification provisions, certain types of job separations carried with them set amounts of benefit periods for which a claimant was disqualified.

This legislation amends the Labor Code to clarify that an individual is not disqualified from benefits if he or she left work which was not suitable to attend training that is approved by TWC; to provide that chargeback protection for the individual's employer will be available for benefits liable under such an exception to disqualification; and to implement a chargeback protection that currently does not exist for claimants who leave unsuitable work to enter training under the Trade Adjustment Act.

H.B. 2034 amends current law relating to unemployment compensation eligibility and chargebacks regarding certain persons who leave work to attend training.

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(e), Labor Code, to prohibit benefits from being charged to the account of an employer, regardless of whether the liability for the chargeback arises in the employee's current benefit year or in a subsequent benefit year, if the employee's last separation from the employer's employment before the employee's benefit year was or would have been excepted from disqualification under Section 207.023(b)(2) (relating to prohibiting an otherwise eligible individual from being denied benefits for a week that the individual left work to enter training if the work the individual left was not suitable employment) or 207.045(j), rather than under Section 207.052(b) (relating to providing that this section (Leaving Work to Attend Educational Institution) does not apply to a period in which the individual is in training with the approval of the Texas Workforce Commission (TWC) under Section 207.022 (Commission-Approved Training)).

SECTION 2. Amends Section 207.045, Labor Code, by adding Subsection (j), to provide that an individual is not disqualified for benefits under this section (Voluntarily Leaving Work) if the individual left the individual's last work to attend TWC-approved training under Section 207.022, and the individual's last work did not constitute suitable work for the individual, as determined under Section 207.008 (Suitable Work).

SECTION 3. Repealer: Section 207.052 (Leaving Work to Attend Educational Institution), Labor Code.

SECTION 4. Makes application of this Act prospective.

SECTION 5. Effective date: September 1, 2013.