

BILL ANALYSIS

Senate Research Center
83R8958 MAW-F

S.B. 1628
By: Van de Putte
Economic Development
4/12/2013
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 1628 amends the Labor Code to provide additional chargeback protection for employers. The bill protects an employer's account when unemployment insurance benefits are paid to a former employee who left employment for work related reasons that are urgent, compelling, and necessary, as defined by Section 207.046(1), Labor Code. The bill aligns chargeback protection for all such cases in which the work separation is outside the employer's power to control, and when the employer is not at fault in the work separation.

Currently, Section 207.046(1), Labor Code, provides for three instances that allow an individual to qualify for benefits with two of these instances providing for chargeback protection: separation due to family violence and stalking or to care for a terminally-ill spouse. The third instance, "urgent, compelling, and necessary," does not provide the chargeback protection.

S.B. 1628 provides continuity of chargeback protection in all three cases of involuntary separation from employment where an individual is granted benefits resulting from a work separation where the individual was forced to leave employment for reasons outside the control of the employer.

As proposed, S.B. 1628 amends current law relating to unemployment compensation chargebacks regarding certain persons who are involuntarily separated from employment.

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 due to a reason that constitutes an involuntary separation under Section 207.046(a)(1) (relating to an individual not being disqualified for benefits if the reason was urgent so as to make the separation involuntary) and does not constitute good cause connected with the employee's work under Section 207.045 (Voluntarily Leaving Work) for the employee to voluntarily leave the employment.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2013.