

BILL ANALYSIS

Senate Research Center
84R17505 MAW-F

H.B. 931
By: Murphy (Bettencourt)
Natural Resources & Economic Development
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Current law requires payment of the waiting week claim after three weeks' worth of unemployment insurance (UI) benefits have been paid to the claimant in a given benefit year. As a result, the law incentivizes unemployed individuals to remain out of work for at least four weeks because they will be paid double for the fourth week of unemployment. Unemployed individuals are disincentivized to report employment in order to continue these payments, resulting in overpayments by the Texas Workforce Commission (TWC).

H.B. 931 reduces government payouts from the UI trust fund by providing an incentive to find suitable new work as quickly as possible. This will make the waiting week benefit payment payable if an individual has been totally or partially unemployed for at least seven consecutive days and has returned to full-time employment, or if an individual has exhausted the regular benefits for the current year, other than benefits applicable to the waiting period.

This change encourages claimants to establish effective work search habits early in the claimant's period of unemployment without reducing the total amounts of unemployment benefits an individual is eligible to receive. This will incentivize claimants to report new employment, which would prevent overpayments by TWC.

H.B. 931 amends current law relating to an individual's eligibility to receive unemployment compensation benefits on the individual's waiting period claim.

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 207.021(c), Labor Code, as follows:

(c) Provides that, notwithstanding any other provision of this section, an individual is eligible to receive benefits on the individual's waiting period claim in accordance with this subtitle if the individual has been paid benefits in the individual's current benefit year equal to or exceeding two times the individual's benefit amount and:

- (1) has returned to full-time employment after being totally or partially unemployed for at least seven consecutive days; or
- (2) has exhausted the individual's regular benefits for the current benefit year, other than benefits applicable to the waiting period.

Deletes existing text providing that an individual, notwithstanding any other provision of this section, who has been paid benefits in the individual's current benefit year equal to or exceeding three times the individual's benefit amount, is eligible to receive benefits on the individual's waiting period claim in accordance with this subtitle.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2015.