(2) may not include an administrative fee charged by the professional employer organization [staff leasing services company] for the provision of the covered [assigned] employees; and

(3) may not include any other amount in relation to the covered [assigned] employees, including payroll taxes.

SECTION 27. Section 171.2125, Tax Code, is amended to read as follows:

Sec. 171.2125. CALCULATING COST OF GOODS OR COMPENSATION IN PROFESSIONAL EMPLOYER SERVICES [STAFF LEASING] ARRANGEMENTS. In calculating cost of goods sold or compensation, a taxable entity that is a client [company] of a professional employer organization [staff leasing services company] shall rely on information provided by the professional employer organization [staff leasing services company] on a form promulgated by the comptroller or an invoice.

SECTION 28. The following laws are repealed:

(1) Subdivision (2), Section 91.001, Labor Code;
(2) Section 91.043, Labor Code; and
(3) Subdivision (2), Section 171.0001, Tax Code.

SECTION 29. (a) Not later than January 1, 2014, the Texas Commission of Licensing and Regulation shall adopt any rules necessary to administer Chapter 91, Labor Code, as amended by this Act.

(b) The changes in law made by this Act apply only to a professional employer services agreement entered into on or after the effective date of this Act. An agreement entered into before the effective date of this Act is governed by the law in effect on the date the agreement is entered into, and the former law is continued in effect for that purpose.

(c) Subsection (c-1), Section 91.042, Labor Code, as added by this Act, is not intended to change the interpretation of Section 462.308, Insurance Code, but is intended to clarify the application of that section.

(d) In adopting rules to implement Section 91.0411, Labor Code, as added by this Act, the commissioner of insurance shall consider rules adopted with respect to similar benefit plans.

SECTION 30. This Act takes effect September 1, 2013.

Passed the Senate on April 4, 2013: Yeas 30, Nays 0; the Senate concurred in House amendment on May 7, 2013: Yeas 30, Nays 0; passed the House, with amendment, on April 26, 2013: Yeas 138, Nays 0, one present not voting.

Approved May 18, 2013.

Effective September 1, 2013.

CHAPTER 118

S.B. No. 1489

AN ACT relating to the powers and jurisdiction of a regional mobility authority.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Subdivision (14), Section 370.003, Transportation Code, is amended to read as follows:

(14) “Transportation project” means:
(A) a turnpike project;
(B) a system;
(C) a passenger or freight rail facility, including:
(i) tracks;
(ii) a rail line;
(iii) switching, signaling, or other operating equipment;
(iv) a depot;
(v) a locomotive;
(vi) rolling stock;
(vii) a maintenance facility; and
(viii) other real and personal property associated with a rail operation;
(D) a roadway with a functional classification greater than a local road or rural minor collector;
(D-1) a bridge;
(E) a ferry;
(F) an airport, other than an airport that on September 1, 2005, was served by one or more air carriers engaged in scheduled interstate transportation, as those terms were defined by 14 C.F.R. Section 1.1 on that date;
(G) a pedestrian or bicycle facility;
(H) an intermodal hub;
(I) an automated conveyor belt for the movement of freight;
(J) a border crossing inspection station, including:
   (i) a border crossing inspection station located at or near an international border crossing; and
   (ii) a border crossing inspection station located at or near a border crossing from another state of the United States and not more than 50 miles from an international border;
(K) an air quality improvement initiative;
(L) a public utility facility;
(M) a transit system;
(M-1) a parking area, structure, or facility, or a collection device for parking fees;
(N) if applicable, projects and programs listed in the most recently approved state implementation plan for the area covered by the authority, including an early action compact; [and]
(O) improvements in a transportation reinvestment zone designated under Subchapter E, Chapter 222; and
(P) port security, transportation, or facility projects eligible for funding under Section 55.002.

SECTION 2. Section 370.033, Transportation Code, is amended by amending Subsections (c) and (f) and adding Subsections (f-1) and (r) to read as follows:

(c) An authority may, if requested by the commission, perform any function not specified by this chapter to promote or develop a transportation project that the authority is authorized to develop or operate under this chapter in the authority's area of jurisdiction.

(f) An authority [and a governmental entity] may enter into a contract, agreement, interlocal agreement, or other similar arrangement under which the authority may acquire, plan, design, construct, maintain, repair, or operate a transportation project on behalf of another [the] governmental entity if:

   (1) the transportation project is located in the authority's area of jurisdiction or in a county adjacent to the authority's area of jurisdiction;
   (2) the transportation project is being acquired, planned, constructed, designed, operated, repaired, or maintained on behalf of the department or another toll project entity, as defined by Section 372.001; or
   (3) for a transportation project that is not described by Subdivision (1) or (2), the department approves the acquisition, planning, construction, design, operation, repair, or maintenance of the project by the authority.
An authority may enter into a contract or agreement with the department under which the authority will plan, develop, operate, or maintain a transportation project on behalf of the department, subject to the transportation project being in the authority’s area of jurisdiction. A contract or agreement under Subsection (f) may contain terms and conditions as may be approved by an authority, including payment obligations of the governmental entity and the authority.

This chapter may not be construed to restrict the ability of an authority to enter into an agreement under Chapter 791, Government Code, with another governmental entity located anywhere in this state.

SECTION 3. Section 370.161, Transportation Code, is amended to read as follows:

Sec. 370.161. TRANSPORTATION PROJECTS EXTENDING INTO OTHER COUNTIES. (a) An authority may study, evaluate, design, finance, acquire, construct, operate, maintain, repair, expand, or extend a transportation project in:

1. a county that is a part of the authority;
2. a county in this state that is not a part of the authority if the county and authority enter into an agreement under Section 370.033;
   (A) the transportation project in that county is a continuation of a transportation project of the authority extending from a county adjacent to that county;
   (B) the county has an opportunity to become part of the authority; or
   (C) the commissioners court of the county agrees to the proposed acquisition, construction, operation, maintenance, expansion, or extension of the transportation project in that county;
3. a county in another state or the United Mexican States if:
   (A) each governing body of a political subdivision in which the project will be located agrees to the proposed study, evaluation, design, financing, acquisition, construction, operation, maintenance, repair, expansion, or extension;
   (B) the project will bring significant benefits to the counties in this state that are part of the authority;
   (C) the county in the other state is adjacent to a county that is:
      (i) part of the authority considering, evaluating, designing, financing, acquiring, constructing, operating, maintaining, repairing, expanding, or extending the transportation project; and
      (ii) has a municipality with a population of 500,000 or more; and
   (D) the governor approves the proposed study, evaluation, design, financing, acquisition, construction, operation, maintenance, repair, expansion, or extension.

SECTION 4. Subsection (b), Section 370.181, Transportation Code, is amended to read as follows:

(b) An authority may enter into an agreement with one or more persons to provide, on terms and conditions approved by the authority, personnel and services to design, construct, operate, maintain, expand, enlarge, or extend a transportation project owned or operated by the authority.

SECTION 5. Subchapter E, Chapter 370, Transportation Code, is amended by adding Section 370.1911 to read as follows:

Sec. 370.1911. COMMERCIAL TRANSPORTATION PROCESSING SYSTEMS AT INSPECTION FACILITIES AT INTERSTATE BORDERS. (a) Notwithstanding Section 370.191, an authority may construct a border inspection facility to be used solely for the purpose of conducting commercial motor vehicle inspections by the Department of Public Safety, provided that the facility is located:

1. at or near a border crossing from another state of the United States; and
2. not more than 50 miles from an international border.
(b) To the extent an authority constructing a border inspection facility under this section considers appropriate to expedite commerce, the facility may include implementation of Intelligent Transportation Systems for Commercial Vehicle Operations (ITS/CVO) technology.

SECTION 6. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013.

Passed the Senate on April 25, 2013: Yea 30, Nays 0; the Senate concurred in House amendment on May 8, 2013: Yea 30, Nays 0; passed the House, with amendment, on May 2, 2013: Yea 141, Nays 6, two present not voting.

Approved May 18, 2013.
Effective May 18, 2013.

CHAPTER 119

S.B. No. 1537

AN ACT
relating to certain required notices under the Texas Unemployment Compensation Act, including employer liability arising from failure to provide the notice.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Section 205.013, Labor Code, is amended by adding Subsection (d) to read as follows:

(d) If a reimbursing employer pays a reimbursement to the commission for benefits paid to a claimant that are not in accordance with the final determination or decision under this subtitle, the employer is not entitled to a refund of, or credit for, the amount paid by the employer to the commission unless the employer has complied with the requirements of Section 208.004 with respect to the claimant.

SECTION 2. Section 208.004, Labor Code, is amended by adding Subsections (a-1), (c), (d), (e), and (f) to read as follows:

(a-1) A notification provided by a person under Subsection (a), including an initial response to a notice mailed to the person under Section 208.002, must include sufficient factual information to allow the commission to make a determination regarding the claimant’s entitlement to benefits under this subtitle.

(c) Notwithstanding Subchapter B, Chapter 204, benefits paid to a claimant that are not in accordance with the final determination or decision under this subtitle shall be charged to the account of a person if:

(1) the person, or the person’s agent, without good cause, fails to provide adequate or timely notification under this section; and

(2) the commission determines that the person, or the person’s agent, has failed to provide timely or adequate notification under this section on at least two prior occasions.

(d) For purposes of Subsection (c), a notification is not adequate if the notification merely alleges that a claimant is not entitled to benefits without providing sufficient factual information, other than a general statement of the law, to support the allegation.

(e) For purposes of Subsection (c), good cause is established only by showing that a person, or the person’s agent, was prevented from complying with this section due to compelling circumstances that were beyond the person’s control.

(f) The commission may adopt rules as necessary to implement this section.

SECTION 3. Section 212.005, Labor Code, is amended to read as follows:

Sec. 212.005. CHARGEBACK ON REVERSAL OF DETERMINATION OR DECISION ALLOWING BENEFITS PROHIBITED; EXCEPTION. (a) Except as provided by Sub-