

BILL ANALYSIS

Senate Research Center
76R5539 CMR-F

H.B. 1333
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Economic Development
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Engrossed

DIGEST

Under current law, employers are mailed notices of maximum potential chargebacks of unemployment benefits paid to their former employees. These chargebacks to their unemployment tax accounts are included in the formula for calculating their tax rates and can result in an increase in the tax rates. Employers are currently given 14 days to protest their chargebacks. This time frame may lead to late responses, which results in automatic chargebacks to the employers' accounts. H.B. 1333 would increase the time allowed for employers to protest chargebacks to their unemployment tax accounts from 14 to 30 days. Benefit payments to unemployed claimants would not be affected.

PURPOSE

As proposed, H.B. 1333 to revise the time limit an employer has to protest potential chargebacks under the unemployment compensation system.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 204.024, Labor Code, to change the time limit within which an employer may protest to the Texas Workforce Commission potential chargebacks under the unemployment compensation system from within 14 days to within 30 days after the date the notice of the employer's maximum potential chargebacks is mailed.

SECTION 2. Effective date: September 1, 1999.
Makes application of this Act prospective.

SECTION 3. Emergency clause.