

BILL ANALYSIS

Senate Research Center
77R2797 AEI-F

H.B. 1708
By: Keffer (Carona)
Business & Commerce
5/10/2001
Engrossed

DIGEST AND PURPOSE

Under current law, cotton ginning employers (employers) are authorized to elect which contribution rate they wish to pay for unemployment compensation purposes and are required to notify the Texas Workforce Commission (commission) of that election in writing not later than December 31 preceding the year for which the election is made. Reason suggests that employers would elect to pay the lowest rate, and so it may seem inefficient to have employers notify the commission. H.B. 1708 requires that employers pay a contribution at the lowest of the current rates and removes the election notification requirement.

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 204.007, Labor Code, as follows:

Sec. 204.007. SPECIAL RATE--COTTON GINNING EMPLOYER. Requires an employer identified by the commission as classified in the manual as Number 115111, rather than 0724, cotton ginning, to pay a contribution at the lowest of certain rates. Deletes text regarding electing to pay. Deletes text regarding a total fixed rate. Deletes text regarding an employer being required to notify the commission.

SECTION 2. Effective date: September 1, 2001.