BILL ANALYSIS

DIGEST AND PURPOSE

Current law authorizes a notice of assessment to be used as a method of debt collection under the Texas Unemployment Compensation Act. As proposed, S.B. 1136 amends the Labor Code to make the language consistent when referring to this debt collection method, and to more precisely define a final assessment to reflect current collection remedies. This bill also provides that an assessment for the recovery of unemployment compensation fund contributions that is not contested by the employer or that is upheld after judicial review is a final assessment.

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 213.025, Labor Code, as follows:

> Sec. 213.025. New heading: ADDITIONAL INTEREST ON JUDGEMENT OR FINAL ASSESSMENT FOR PAST DUE CONTRIBUTION. Provides that for a final judgement or final assessment that grants recovery of the amount of a contribution and the amount of interest computed at the maximum rate permitted under Section 213.021(a), the part of the judgement or final assessment for the amount of the contribution earns additional interest at the rate of one percent for each month or part of a month it remains unpaid.

SECTION 2. Amends Section 213.032(e), Labor Code, to provide that an assessment described by this subsection is a final assessment.

SECTION 3. Amends Sections 213.033(b) and (c), Labor Code, to provide that certain actions, rather than proceedings, suspend the running of the limitations period. Provides that after a hearing or case, rather than proceeding, is closed, the running of the limitations period resumes. Makes a conforming change.

SECTION 4. Amends Section 213.051(a), Labor Code, to make a conforming change.

SECTION 5. Effective date: September 1, 2001.
         Makes application of this Act prospective.