

1 **Policy Concept**  
2 **Chapter 800, General Administration**  
3 **Rule Project #2021-21-800 – Tax Refund Program**  
4

5 **Introduction and Background**

6 Senate Bill (SB) 82 enacted by the 71st Texas Legislature, Regular Session (1993), amended Texas  
7 Human Resources Code, Chapter 31 by adding Subchapter D, Tax Refund for Wages Paid to Employee  
8 Receiving Financial Assistance (Tax Refund Program). The Tax Refund Program implemented by SB  
9 82 required the Texas Department of Human Services (DHS) to provide tax vouchers to persons upon  
10 application and certification of eligibility.

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12 SB 1113 enacted by the 75th Texas Legislature, Regular Session (1997), transferred the Tax Refund  
13 Program from the Texas Human Resources Code to Texas Labor Code, Chapter 301, Subchapter H,  
14 effectively moving the application eligibility and certification procedures from DHS to the Texas  
15 Workforce Commission (TWC). SB 1113 also implemented new rules allowing TWC to "adopt rules as  
16 necessary to carry out its powers and duties under this subchapter" and requiring DHS to provide  
17 information to TWC that is required to determine eligibility for persons applying for the Tax Refund.  
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19 The Comptroller of Public Accounts' rule under 34 Texas Administrative Code (TAC) §3.4,  
20 implemented in 1995, was not amended when the program transitioned from DHS to TWC. TWC did  
21 not establish rule in order to operate the Tax Refund Program. The application and eligibility  
22 certification procedures related to the Tax Refund Program have been operated by TWC staff since 1997  
23 through publicly available information and application form, currently maintained on TWC's Work  
24 Opportunity Tax Credit Program Overview webpage.  
25

26 The Comptroller's office is reviewing possible amendments to 34 TAC §3.4 that would eliminate  
27 reference to eligibility determinations in its rule. Staff determined that the establishment of a TWC rule  
28 to clarify the requirements and eligibility determination applicable under Texas Labor Code, §301.107 is  
29 now appropriate.  
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31 **Purpose for the Proposed Rule**

32 The purpose for this proposed rule is to establish TWC rule that affirms the requirements and eligibility  
33 under Texas Labor Code, Chapter 301, Subchapter H, §§301.101 - 301.107.  
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35 **Rule Revisions Required by Federal Regulation or State Statute**

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37 **Issue #1: Establish TWC Rule for SB 1113**

38 SB 1113 created new Texas Labor Code, Chapter 301, Subchapter H, Tax Refund for Wages Paid to  
39 Employee Receiving Financial Assistance transferring the authority for the program from DHS to TWC.  
40 Texas Labor Code, §301.107 allows TWC to adopt rules to clarify the requirements and eligibility  
41 determination applicable under Texas Labor Code, Chapter 301, Subchapter H.  
42

43 **Other Rule Revisions**

44 None.  
45

46 **PC Decision Point**

47 Staff recommends establishing rules under Chapter 800, Subchapter M to implement SB 1113.