

## Department of Planning and Budget 2022 Fiscal Impact Statement

**1. Bill Number:** HB889

|                        |                                       |                                     |  |
|------------------------|---------------------------------------|-------------------------------------|--|
| <b>House of Origin</b> | <input type="checkbox"/> Introduced   | <input type="checkbox"/> Substitute | <input type="checkbox"/> Engrossed           |
| <b>Second House</b>    | <input type="checkbox"/> In Committee | <input type="checkbox"/> Substitute | <input checked="" type="checkbox"/> Enrolled |

**2. Patron:** Kilgore

**3. Committee:** Passed Both Houses

**4. Title:** Nonpayment of wages; defense of contractor.

**5. Summary:** Provides that a contractor, regardless of tier, has a valid defense to a claim for nonpayment of wages if he obtains a written certification from the subcontractor stating that (i) the subcontractor and each of his sub-subcontractors has paid all employees all wages due for the period during which the wages are claimed for the work performed on the project and (ii) to the subcontractor's knowledge, all sub-subcontractors below the subcontractor, regardless of tier, have similarly paid their employees all such wages.

**6. Budget Amendment Necessary:** No

**7. Fiscal Impact Estimates:** Final. See Item 8

**8. Fiscal Implications:** The Department of Labor and Industry does not anticipate any fiscal impact as a result of this bill.

**9. Specific Agency or Political Subdivisions Affected:** Department of Labor and Industry, Courts

**10. Technical Amendment Necessary:** No

**11. Other Comments:** SB 538 also addresses nonpayment of wages and defense of a contractor.