



## Greater Tomball Area Chamber of Commerce 2021 Legislative Priorities

### TOP 3 PRIORITIES

- **COVID -19 Relief**
- **Economic Development**
- **Transportation**

### ECONOMIC DEVELOPMENT

**Economic Development Programs.** Continue support for state and local tools used to compete for corporate expansions/relocations and job growth, such as the Texas Enterprise Fund, the Texas Enterprise Zone Fund and the tax incentives available under the Texas Economic Development Act under Chapter 312 and Chapter 313 of the Tax Code, as well as Chapter 380/381 municipality agreements. GTACC supports refreshing the Texas Enterprise Fund with adequate funding to keep it competitive by maintaining a minimum of \$200 million balance at the beginning of each biennium.

**Continued Funding for the Texas Enterprise Fund.** The TEF was created to recruit businesses to relocate or expand in Texas, leading to capital investment and job creation. Since 2004, the TEF has awarded over \$679 million toward projects creating over 104,000 direct jobs and capital investment in excess of \$34 billion. Recommended for continued allocation of current unused balance, estimated to be ~\$187.5 million

#### **Sales Tax for Economic Development.**

- Support continued use of a locally approved 1/2-cent sales tax collected by cities to fund economic development efforts.
- Oppose efforts to reduce local control of these funds as well as efforts to limit the uses of these funds. Because these funds are local funds, taxpayers should retain the right to manage their use so long as they are used for economic development purposes.
- Support the removal of county average wage restrictions that limit a local community's use of these funds for local job training purposes.

- Support efforts to clarify that the purpose of the sales tax funds is to serve as economic development tools, including education and workforce training, and to prevent raids on the funds for projects that are not related to economic development.

**Tax Abatement & Other Economic Development Incentives.** Continue to support local control and flexibility in the use of tax abatements, tax increment financing, reinvestment zones and other incentives to promote economic development and job creation. Specifically, the legislature should reauthorize Chapter 313 and continue to maintain Texas’ commitment to Chapters 312, 380 and 381.

- 86<sup>th</sup> Session extended Ch. 312 until Sept. 1, 2029, adding several new provisions
- Comptroller estimates Ch 313 has generated over \$80 billion in new investment to the state, creating more than 50,000 jobs
- Primary components of Ch 313 are set to expire Dec. 31, 2022. No bills in the 86<sup>th</sup> session extended Ch 313 past the expiration date.

**Film, Music and Video Game Production.** Support the funding for the Texas Moving Image Industry Incentive Program (TMIIP) and the Texas Music Office as proven tools that spur further economic development in their respective industries. TMIIP is designed to grow the State economy through the moving image industry, creating jobs in Texas. GTACC recommends a continuation of funding for the program at the \$50 million per biennium provided in 2019.

- **Event Trust Funds Program** is comprised of three separate funds—the Events Trust Fund, Major Events Reimbursement Program, and Motor Sports Racing Trust Fund

**Texas Broadband Policy Development.** Support and contribute to the immediate development of a state Broadband Plan that is consistent with free market principles creating increased economic activity, competitiveness, and provides:

- Focus on providing solutions so that all Texas students can access learning tools and classrooms via internet.
- Emphasis on solutions that allow citizens to access critical services including telemedicine and telehealth.
- Include solutions that allow all Texans to access critical services and remain connected in an increasingly digital environment.
- Support efforts to maintain a balance between local control (such as existing municipal ordinances and zoning regulations) and the need for critical digital services.

## EDUCATION AND WORKFORCE

**Education Funding.** The state should not be permitted to use fund balances of schools that have sound financial practices to solve financial problems of other districts that have not budgeted wisely. Strongly opposed to any new “Robin Hood” -style plan where this could be executed.

**COVID 19 (Pandemic Response):**

In light of the global pandemic and its effects on Texas, a strong focus must remain on strengthening the Texas workforce through education. Essential to this effort is the need to:

- Protect the excellent work and maintain the commitments made to education through Hou Bill 3.
- Protect district level funding by providing a one year hold harmless to districts relative to attendance allowing teachers to spend valuable instructional time teaching students.
- Maintain formula funding from the 86<sup>th</sup> legislative session for public institutions of higher education including restoring 5% mid-biennium cuts to higher education institutions.

**Career and Technology.**

- Support innovative and flexible career and technology education pathways in conjunction with public schools and community colleges where appropriate to meet the needs of Texas employers.
- Support legislation that strengthens accountability on career and technology money allocation. Support requiring districts that receive funding for career and technology to offer courses that prepare students with a blend of on-site or virtual on-site training, based on their needs of curriculum delivery. Support increased funding for online curriculum and online testing.
- Support additional mental health professionals and guidance counselors in middle and high school to help students meet the state requirement of selecting a career endorsement by the 8th grade.
- Support industry aligned early college models, like Industry Cluster Innovative Academies including P-TECH, that include career guidance, mentoring, and applied learning opportunities.

**Community Colleges.**

- Strong support should be reflected for community colleges as important contributors to training students for jobs in the workforce and providing pathways for completion of industry certificates, Associate degrees, Bachelor programs (where a local need exists) and continuous upskilling or reskilling opportunities.
- Community colleges should be supported in maximizing the use of rigorous dual credit courses and other creative partnerships with high schools and four-year universities. The Texas State Technical University System, with its effective pay for performance model, is worthy of support and replication in other systems.

**Skills Development Program.** Support increased funding for the Skills Development Program administered by the Texas Workforce Commission. Maintain Skills Development Fund grants at the Texas Workforce Commission to improve workforce training.

**Special Education.** Adequately fund special needs education to meet the needs of the special needs population in a cost effective manner.

### **Teacher Support.**

- Increased opportunities for advancement for existing teachers
- Teachers' starting salaries are decent, however, Texas ranked 27th in the nation in teacher salaries with salary growth year to year being miniscule and, leading many teachers to leave the profession after 3-5 years. GTACC supports more advancement opportunities for excellent teachers who stay in the profession and/or are high performers.
- The state of Texas would engage in/conduct a compensation/benefits analysis or market research survey to gauge teacher pay and competitiveness (new and 3-5 years)
- Support additional alternative certification programs that provide school districts flexibility in hiring qualified people holding bachelors' degrees or higher who pass certification exams and any additional teacher training to be determined by a school district.
- Support efforts that would specifically include effectiveness as part of the criteria in the evaluation of teachers.
- Support increased funding for retired teachers' health insurance premiums.

### **EMPLOYMENT RELATIONS**

**Arbitration.** Oppose any effort to modify the Halliburton Case where the Supreme Court upheld an employer's right to establish a mandatory arbitration program applicable to at-will employees.

**Duration of Benefits.** Limit UI benefits to 20 weeks if the state's average unemployment rate for the year preceding the calendar year in which the claim takes effect is below five percent.

**Drug Testing.** Oppose attempts to restrict the rights of employers to conduct random and/or universal drug testing of employees.

**Employer Control Over Work Environment.** Support efforts to maintain employers' prerogative to control the workplace, thereby creating a safe, satisfying and harmonious working environment.

**Employer Hiring Practices.** Oppose efforts dictating how private employers interview and hire candidates for employment.

**Employment Practices.** Support efforts to limit municipal laws and regulations affecting employment practices of private employers.

**Employment-at-Will.** Oppose legislation that would erode employment-at-will as a right for all Texas employers and employees.

**Fair Labor Standards Act (FLSA) Reform.** Support efforts to reform the wage and hour laws by allowing more flexibility for employers and employees in hours worked during a pay period before mandating overtime pay. Provide more freedom and flexibility to classify workers as exempt from overtime requirements.

**Family and Medical Leave Act (FMLA).** Oppose efforts to modify the FMLA, and oppose any initiatives to require employers to pay for FMLA leave with unemployment insurance taxes.

**Fraud Control.** Support legislation to allow the Texas Workforce Commission (TWC) to hire outside contractors on a pay-for-performance basis to assist in efforts to detect and remedy unemployment benefits fraud.

**Human Rights Act.** Oppose expansion of the current coverage of the Texas Human Rights Act that may cause additional litigation. Encourage robust utilization of administrative remedies to protect the rights of all involved parties while decreasing excess workload on already strained court resources.

**Injunctions.** Support allowing an employer to seek an injunction on behalf of an employee to end workplace harassment without creating a new liability for employers.

**Minimum Wage.** Oppose arbitrary increases in minimum wage that cannot be supported by improvements in productivity and that deprive many entry-level workers of job opportunities.

**Non-Compete Clauses.** Oppose unnecessary and additional restrictions to non-compete agreements already governed under Texas Business & Commerce code 15.50.

**Pay Equity.** Strongly support the current law on pay equity.

**Right-to-Work.** Support efforts to keep Texas a right-to-work state and oppose agency shop legislation.

**Subsidized Training Wage.** Support legislation to allow employers to apply part of their unemployment insurance taxes toward the cost of training workers for their businesses.

**Union Dues Check-Off.** Oppose efforts to allow public employees, or to require private employers, to subsidize or promote labor unions or similar organizations through payroll collection of dues and contributions.

## ENERGY

### Energy and Economic Development.

- Support healthy economic growth in Texas by promoting the production of adequate supplies of all forms of energy at competitive prices.
- Oppose increased taxes and fees on energy sources with the exception of fees that will be dedicated to regulatory programs that will improve the oversight and approval of energy development projects.
- Eliminate tax inequities between energy sources.
- Encourage the conservation of resources.
- Balance environmental quality objectives against the actual impacts of energy production and usage and the public welfare benefits of lower energy costs.

- Support the prioritization of funding to state regulatory agencies whose functions play a key role in supporting critical infrastructure and the Texas economy. Programs administered by the Public Utility Commission of Texas (PUCT), the Texas Commission on Environmental Quality (TCEQ), and the Texas Railroad Commission (RRC) should receive sufficient funding to be able to operate effective regulatory programs in support of these urgent state priorities.

#### **Federal Climate Change Regulations.**

- Support efforts to replace U.S. Environmental Protection Agency (EPA) climate change regulations with regulations that are consistent with the Clean Air Act and appropriately allow Texas to determine the development of a compliance plan that is in the state's interest.
- Support efforts to encourage voluntary, free-market solutions to energy conservation and demand responses that save businesses money, maximize investment in energy infrastructure and promote competitive economic development in Texas.

#### **Energy Conservation.**

- Support efforts to encourage the adoption of local, voluntary free-market energy conservation programs under Chapter 399, Local Government Code. Support the adoption of programs under Chapter 399 that ensure the economic opportunities of increased energy conservation are uniformly available without preference to specific lenders, contractors, and other service providers.
- Support the adoption of local energy conservation programs that ensure that any representative selected by a local government to administer programs under Chapter 399 operate in compliance with all requirements related to ethics standards and conflicts of interest that would be applicable to a local government administering the same or similar program.

**Federal Mandates that Impede Texas Energy Businesses.** Texas is the leading energy producing state by a large margin and fuels much of the energy needs of the nation, providing energy security and innovating key advances in energy technology. While numerous federal mandates that threaten to undermine Texas' energy industries are appropriately identified in GTACC's national policy agenda, GTACC supports state policies, wherever feasible, that counter any such damaging federal mandates or regulations that interfere with state authority over its energy industry, such as:

- Prohibitions on crude oil or LNG exports;
- Closing off access to federal or state lands for energy exploration or production;
- Unnecessary environmental rules targeting energy extraction and production.

**Fuels Diversity.** Oppose legislative efforts that would require the use of specific fuels for industrial sources for the purpose of forcing adoption of a particular technology.

## GENERAL BUSINESS

**COVID-19 Liability Protections.** Protect businesses from costly litigation for injuries arising from alleged exposure to COVID-19 and any future epidemic by providing that a plaintiff must present clear and convincing, scientifically valid evidence that the business intentionally exposed the plaintiff to the harmful pathogen or allowed the plaintiff to be exposed to the pathogen through gross negligence, and that the plaintiff suffered an actual and significant injury.

**Coastal Barrier.** Support the feasibility study, planning, engineering and funding of a coastal barrier that will protect the vital industrial base of the Texas Gulf Coast from catastrophic storm damage.

**Corporate Sale of Liquor.** Support free-market principles for the corporate sale of liquor. Texas is the only state in the nation that disallows publicly traded companies from selling liquor. There is no business case for doing so, except allowing the government to narrow competition through mandates.

**No Pay, No Play.** Support reforms that would prevent uninsured motorists from collecting pain and suffering damages if they are in an accident with an insured driver.

**Sarbanes-Oxley.** Oppose efforts to enact a “Sarbanes-Oxley” law on the state level. The federal Sarbanes-Oxley Act of 2002 and subsequent regulations establish unnecessary stringent corporate reporting requirements and stiff penalties for corporate accounting fraud and do not need to be duplicated at the state level.

## HEALTH & HUMAN SERVICES

**1115 Medicaid Transformation Waiver.** Support a long-term extension of the 1115 Medicaid Transformation Waiver and a call for negotiations between the Texas Health and Human Services Commission (HHSC) and Centers for Medicaid & Medicare Services (CMS) to develop an appropriate renewal of the waiver at the end of the extension period.

**Fraud and Abuse.** Eliminate waste, fraud and abuse in Medicaid, the commercial employer-sponsored health care market and in the private sector health programs.

**Medicaid.** Continue to support Medicaid managed care as a service delivery model. Support legislative policies that seek to create significant savings to the state and allow for flexibility. Encourage the transition of Medicaid managed care from the fee-for-service payment model. HHSC should have sufficient resources and processes in place to assure that MCOs fulfill their access and service obligations to enrollees and Texas taxpayers. HHSC should be proactive in detecting and correcting any deficiencies.

**Medicaid Expansion.** Support a private insurance model acceptable to CMS that includes copays and a sliding scale in order to reduce the number of uninsured Texans.

**Advanced Nurse Practitioners and Physician Assistants.** Support legislation that would expand the ability of advanced nurse practitioners and physician assistants to provide primary care and would reduce physician oversight requirements and other restrictions on their practice. Increase the supply of advanced nurse practitioners and physician assistants by expanding educational opportunities and by improving the practice environment.

**Corporate Practice of Medicine.** Support the repeal of the state prohibitions on the corporate practice of medicine and support necessary safeguards in law to ensure physicians are not restricted from exercising independent medical judgment in diagnosing and treating patients.

**Electronic Prescribing of Controlled Substances (EPCS).** Support policies that require the use of EPCS to transmit prescription information between prescribers and pharmacists which leads to improvements in patient's adhering to their medications, reduces over-prescribing of opioids, and adds new dimensions of safety and security in the prescribing process.

**Health Care Professionals.** Support legislation and appropriations to expand the educational pipeline for physicians, nurses, physician assistants and other health care professionals by public colleges and universities. Specifically, GTACC endorses policies that would:

- Support funding Texas Higher Education Coordinating Board studies to increase productivity and to reduce the cost of training health care professionals.
- Support legislation to prevent discrimination against nurse training programs based on clinical hours.
- Support six-year BS/MD programs to accelerate the production of physicians at a lower cost to the state. Specifically, study adopting a three-year curriculum for the MD degree and having medical students satisfy basic science requirements before entering medical school.
- Support standardized pre-licensure training for RNs.
- Support state funding of additional residencies. Regarding the allocation of appropriations, GTACC supports giving priority to providing state funding for medical residencies over additional state funding for medical schools.
- Support funding to increase the number of advanced practice registered nurses.

**Regulatory Relief.** Support the mitigation of regulation on health care related issues impacting employers.

**Transparency.** Support legislation ensuring access to health care cost transparency for consumers and make sure it results in meaningful information for patients, such as knowledge of their formularies and cost sharing responsibilities.

**Rural Health Care.** Increasing access to health care in rural communities through policies that support rural hospitals to prevent closure and support community health centers.

**Increasing Funding for Safety-Net Clinics transitioning to Federally Qualified Health Centers (FQHC) in Texas.** Support the Texas FQHC Incubator Program funding that ended in 2012.



**Decreasing Barriers to Health.** Supporting policies aimed at the social determinants of health, the economic and social conditions that influence individual and group differences in health status.

**Chronic Illness and Disease Management in Under Served Communities.** Increasing access to effective prevention, diagnosis and treatment of chronic illnesses and diseases most common in underserved communities.

**Health Care Workforce in Rural Communities.** Support improving the health care workforce in rural communities through policies such as Physician Education Loan Repayment Program (HB 2261 and SB 998) and increasing loan repayment cap.

## **TAXES AND SPENDING**

**Casino Gambling.** Support casino gambling and sportsbooks in order to reduce the franchise tax and to increase employment opportunities.

**Equity.** Support legislative measures to equitably distribute the burden of business sector taxes among all businesses, including service and manufacturing. Also, support legislation ensuring that homeowners and businesses share support for public education.

**Federal Funding.** Support state policies and programs that maximize the receipt and use of federal matching and other funds for state purposes.

**Financial Soundness for State Disaster Preparedness.** Support improvements to the State General Fund to protect the state from significant losses in the event of a major hurricane in order to provide a more stable, well-protected coastal business environment, plan for quicker financial recovery and avoid increased business taxes in the event of a loss to the State General Fund.

**Franchise Tax.** Support the repeal and replacement of the franchise tax.

**Gross Receipts Tax.** Oppose the imposition of a gross receipts tax in Texas.

**Inventory Tax.** Support elimination or reduction of local inventory taxes. Texas is one of only six states that permit the levy of a property tax on inventories. This places the state at a severe economic disadvantage.

**Mandates.** Oppose unfunded government mandates that shift the cost of financing programs to either the private sector or other levels of government.

**Privatization.** Encourage privatization efforts in government in order to increase efficiency and reduce government spending.

**Property Taxes.** We oppose any legislation that would hinder municipal, county government and/or school districts from enacting property tax changes necessary to support continued operations after changes to the property tax base in the local area.

**Regulatory Policy.** Support legislative efforts to maintain a regulatory climate that does not impose hidden taxes on employers through excessive fees and fines, but rather reduces excessive regulations to promote, rather than impede, economic growth and job creation.

**Split Roll.** Oppose any plan that splits the property tax rolls either by rate or by making one a statewide tax. Oppose any tax plan or component that allows the state to treat businesses differently from homeowners.

**Small Business Tax Relief.** Maintain franchise tax relief for small business.

**State Tax System.** Support a balanced state tax system that encourages the savings and investment necessary for the creation of jobs and that does not place a disproportionate share of the tax burden on businesses. Any revision in the business tax structure should reduce the percentage of state and local taxes paid by business or be revenue-neutral and also reduce the administrative burden.

**Windfall Profits Tax.** Oppose efforts to impose “windfall profits taxes” or to penalize companies for substantial and sudden profits.

**Votes.** Support legislation that would require a two-thirds vote of the Texas Legislature in order to raise state taxes.

## TRANSPORTATION

**Improved Transportation Systems.** Support improved highways, ports of entry, waterways and other infrastructure that facilitates trade, increases the effective flow of goods and services, promotes tourism and increases public safety wherever these improvements can improve economic opportunity and state productivity.

**Toll Roads.** Support the authorization and construction of toll roads. New capacity toll roads will provide motorists with choices in safe, reliable travel. User fees will support development, operations, financing and long-term maintenance of facilities that otherwise may not be feasible with traditional state and local resources. Any new toll roads must have local support and not reduce any existing non-tolled transportation options and infrastructure currently available to users in the applicable area.

GTACC supports public-private partnerships that bring innovative methods to design, build, finance, maintain or operate an enhanced transportation system in order to meet the growing needs of Texas, while protecting taxpayer interests and property rights. Such partnerships should ensure that they do not preclude public ownership or operation of toll roads where they are supported locally and can be shown to be economically viable.

**Toll Road Operation and Administration.** GTACC supports efforts to establish uniform and fair operating and administrative procedures for toll roads and toll road authorities that:

- Maximize the seamless and transparent assessment and collection of appropriate tolls across multiple toll authorities;

- Encourage the payment of appropriate toll charges without excessive penalties, and effective and efficient resolution of toll payment disputes; and
- Encourage uniform policies for safe and effective toll road operation, including those related to accident response, vehicle disablement or other appropriate vehicle operator requirements.

**Waterway, Port and Ship Channel Improvements.** Support any opportunities available to the Legislature or state agencies to facilitate ongoing efforts to improve the maintenance and modernization of commercial waterways and ports. Support local communities seeking funding through the U.S. Army Corps of Engineers (USACE) or other sources, and support state agency review and coordination of federal or state permits or authorizations. Further, support the continued priority of use of the State Highway Fund (Fund 6) for marine transportation needs, including modal connectivity at ports.

**Financing Options.** All financing options should be explored.

Motor fuel tax limitations, except for constitutionally-required allocation of motor fuel taxes to the educational system:

- Strict limitations on the use of motor fuel taxes for other than transportation programs, and
- Elimination of diversions of transportation funds to other uses.

**Utility Coordination on Transportation Projects.** Support coordination efforts between TxDOT and utilities and other local project participants on the design and construction of roadway projects to save time and money and minimize disruption to the surrounding community.

**AF Equity Fee.** The alternatively fueled vehicle market continues to grow rapidly and directly contributes to the decline in the gas tax funding mechanism for our transportation systems. With this legislation, AF owners are asked to pay their portion with an annual fee derived from a formula based on the average tax paid by users of similar type vehicles.

## **WATER**

Funding for New Water and Flood Control Infrastructure

GTACC supports increased state participation in and funding for water and flood control infrastructure.

### **Strategies for New Water Supply and Water Management**

- The state should continue to investigate and appropriately encourage strategies to provide an adequate, cost-effective supply of additional water resources, including: desalination of brackish ground, surface and sea water;
- aquifer storage and recovery;
- conjunctive use of ground and surface water;

- innovative reuse and conservation technologies; and
- broadening water markets through the involvement of the private sector.

**Ground Water Subsidence District.** Support efforts requiring the North Harris County Regional Water Authority to explore new and innovative funding options to implement the Harris-Galveston Subsidence District HGSD 2013 Regulatory plan requiring our area to reduce ground water withdrawals to no more than 20% of the total water demand by the year 2035. Current funding mechanism of pumpage fees are exceeding the cost of water providers to produce, maintain and operate their water systems/districts. Future projections show that the pumpage fees are scheduled to continue to increase and the fees place our region in an economic disadvantage with other regions in the state.

## WORKERS' COMPENSATION

**Attorneys.** Oppose legislation that would increase attorney involvement in workers' compensation and support efforts to modernize and provide more transparency in the attorney fee approval process at DWC.

**Dispute Resolution.** Support efforts to expand the use of technology in dispute resolution proceedings (e.g., allow benefit review conferences to be conducted via telephone or videoconference).

**Illegal Drug Use.** Support legislation encouraging zero tolerance for the presence of alcohol or illegal drugs on the job. Support efforts to make the intoxication defense stronger.

**Mandatory Workers' Compensation.** Oppose legislative efforts to mandate workers' compensation coverage.

**Retaliatory Discharge.** Support legislation to limit damages and restrict the scope of action filed by a terminated employee for workers' compensation retaliatory discharge.

**Settlements.** Oppose legislation that attempts to reintroduce lump sum settlements, including medical lifetime benefits, into the Texas workers' compensation system.

**Statutory Employer.** Support and preserve the current regulatory structure that prevents lawsuits against employers and property owners who provide workers' compensation insurance.

**Waiver.** Support legislation to specify that the defense of "no compensable injury" cannot be waived, regardless of any time constraints.

## OTHER

**Immigration.** Enforce existing laws and provide funding for border enforcement and protection.

**Unfunded Mandates.** Transparency in government includes disclosing the full costs of legislation on many levels. The Chamber favors fiscal notes that project the fiscal ramifications of legislation at all levels of government—state, county, municipal, school district—as well as to businesses, industries, professions and non-profit organizations.

**Duplication of Oversight.** State agencies providing oversight to various entities—businesses, non-profits, service providers, etc.— across the state should collaborate on their responsibilities in order to reduce their staffs and budgets. Redundant oversight within the same agency should be terminated. Oversight should be reasonable and not cause undue hardship to the entity being supervised.