

Texas Legislative Session Stats

NFIB entered the 87th Legislative Session with five main priorities: Tax Relief, COVID-19 Business Liability Protections, Health Insurance Mandates & Cost, Workforce Development, and Reeling in Regulatory Overreach.

NFIB scored big wins on these issues, but legislators let us down on one critical issue: stopping cities and counties from going beyond what the state and federal government already regulate. Challenges still lie ahead for the small business community.

Tax Relief

While there was not sweeping property tax reform, the legislature did increase the minimum amount of tangible personal property exempted from rendition from \$500 to \$2,500. In other tax relief efforts, NFIB proudly championed legislation to protect businesses from a surprise tax increase on their 2020 gross receipts tax. House Bill 1195 safeguards businesses from being taxed on the forgiven expenses portion of their Paycheck Protection Program (PPP) loan. Small business owners took out the PPP loan to continue to provide paychecks for their employees throughout the pandemic shutdowns and lost revenue. Tens of millions of paychecks were preserved for workers through this loan, so it was only right that the state protect small businesses from increased taxes on those dollars.

Liability Protections

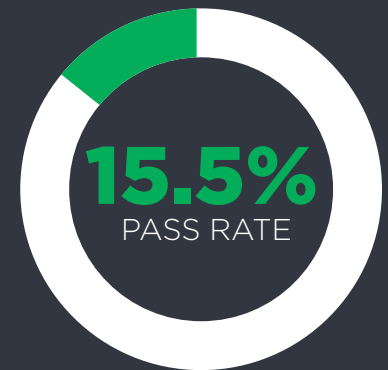
As businesses reopened in 2021, there has been continued concern over the threat of unfounded lawsuits that exploit the already damaging effects of COVID-19. To help alleviate some of those concerns and the looming threat of costly legal battles, the legislature passed Senate Bill 6—the pandemic liability protection bill. The measure extends liability protections for premises owners, product manufacturers, and health care providers during a pandemic emergency.

Supply shortages were also a major effect of COVID-19. The trucking industry was hampered either because they weren't deemed essential, they had a shortage of drivers, or the industry had suffered from costly litigation and increased insurance rates due to "ambulance-chasing" attorneys. In general, litigation against commercial vehicle owners has caused insurance rates on business owners of all sizes to skyrocket. As a result, House Bill 19 was filed and passed to stop the abusive lawsuits that are driving up insurance premiums.



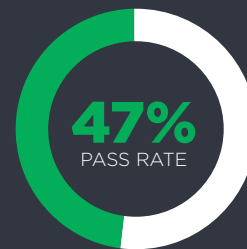
Session Stats (House & Senate)

TOTAL BILLS FILED: 6,927
TOTAL BILLS PASSED: 1,073



NFIB Registered a position on
90 BILLS
(Card/Testimony)

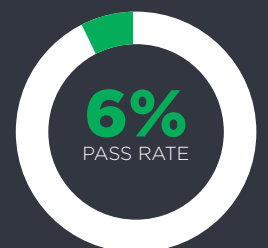
SUPPORT: 74 | OPPOSED: 16



BILLS WITH
NFIB SUPPORT

BILLS NFIB
OPPOSED

NFIB opposed 16
bills, only 1 passed



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BILLS FILED VS PASSED

33 HEALTH INSURANCE MANDATE BILLS



21 UNLAWFUL EMPLOYMENT PRACTICES BILLS

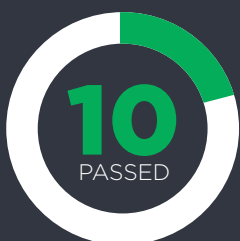
(creating cause of action against employers)



11 MINIMUM WAGE BILLS



48 WORKFORCE TRAINING AND EDUCATION BILLS



Health Insurance Mandates & Cost

“Cost of health insurance” is identified as one of the biggest problems and priorities for NFIB members every year. Health insurance mandates are the driving factor for increased health insurance costs. Texas is already a leader in the number of costly health insurance mandates, ranking third in the nation. Each mandate increases the cost of premiums by approximately one to five percent, which may seem insignificant, but every one percent increase in premiums costs consumers and employers \$230 million per year in the fully insured market. This session, 33 new mandate bills were filed. Only one made it to final passage and should have little impact on premiums. NFIB opposed all new health insurance mandates and are happy with the results, as it could have been much worse on small businesses.

Workforce Development

One of the biggest challenges facing small businesses in Texas is finding skilled workers. According to the June 2021 NFIB jobs survey, 48% of U.S. small businesses who want to hire said they were having trouble finding qualified applicants. This session, the Texas Legislature passed 10 separate bills to improve career and technical development programs in our schools. These measures are going to help small and larger businesses alike find the workers they desperately need while strengthening our economy and reducing unemployment post-pandemic.

Regulatory Overreach

NFIB joined other business groups in pushing for legislation (Senate Bill 14) that would have stopped activist cities and counties from imposing their own employment regulations that go beyond what the state and federal government already requires. As witnessed in ordinances passed in Austin, Dallas, San Antonio, and Euless, these local ‘sick leave’ and ‘overtime’ mandates only seek to penalize employers rather than help workers.

The legislature’s failure to act on regulatory overreach by city and county governments is a big concern for small businesses—concern over added cost, compliance, and litigation. Further, local employment ordinances create an unfair disadvantage from one business over the other. A business operating in Austin may have enormous cost and compliance burdens due to the ordinance, while a business in neighboring Cedar Park may not. Cost is often passed onto the customer, who will likely choose the less expensive place to do business. NFIB will continue to urge the Texas Legislature to stand up for small businesses and fight back on activist cities and counties.