

BILL ANALYSIS

Senate Research Center
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S.B. 15
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Texas economy has been vibrant for many years due to a regulatory climate that enables businesses, large and small, to thrive under a smart approach and balance to government regulation.

Job creators have left states that have burdensome regulations and weak economic environments and flocked to Texas, which remains one of the best states to do business with historic low unemployment rates. Texas businesses naturally evolve in order to remain competitive in this healthy environment by offering attractive benefits and wages.

However, Texas cities have begun to expand their regulatory scope and pass local ordinances regarding private employment practices—matters that have traditionally been handled at the state and federal level for the sake of better consistency and compliance. These ordinances have created an inconsistent patchwork of regulations that make it difficult for cities to attract new businesses, create jobs, and for businesses to operate in multiple jurisdictions. S.B. 15 prohibits a municipality or county from requiring certain employment benefits or policies.

As proposed, S.B. 15 amends current law relating to the regulation by a municipality or county of certain employment benefits and policies.

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 Subtitle D, Title 2, Labor Code, by adding Chapter 83, as follows:

CHAPTER 83. PROHIBITION AGAINST LOCAL REGULATION OF EMPLOYMENT BENEFITS AND POLICIES

Sec. 83.001. DEFINITIONS. Defines "employee," "employer," and "employment benefit."

Sec. 83.002. PROHIBITION AGAINST MUNICIPALITY OR COUNTY REQUIRING CERTAIN EMPLOYMENT BENEFITS OR POLICIES. (a) Prohibits a municipality or county from adopting or enforcing an ordinance, order, rule, regulation, or policy requiring any terms of employment that exceed or conflict with federal or state law relating to any form of employment, leave, hiring practices, employment benefits, scheduling practices, or other terms of employment.

(b) Provides that an ordinance, order, rule, regulation, or policy that violates Subsection (a) is void and enforceable.

(c) Provides that this chapter does not affect:

(1) the Texas Minimum Wage Act under Chapter 62 (Minimum Wage);

(2) an ordinance, order, rule, regulation, or policy that prohibits employment discrimination, regardless of whether the ordinance, order, rule, regulation, or policy is adopted before, on, or after September 1, 2019; or

(3) a contract or agreement relating to terms of employment voluntarily entered into between a private employer or entity and a government entity.

SECTION 2. Provides that Chapter 83, Labor Code, as added by this Act, applies to an ordinance, order, rule, regulation, or policy adopted before, on, or after the effective date of this Act.

SECTION 3. Effective date: September 1, 2019.