2023 Legislative Session



PRESIDENT'S REPORT

Friends,

With the tireless dedication of our members, the TAB team, and partner organizations, we helped to achieve our top priorities: secured a new economic development tool, community college finance reform, regulatory consistency, data privacy, and broadband enhancement.

We also played some good defense. We preserved ERISA and pushed back against numerous healthcare mandates and private rights of action.

This is a strong ROI for employers across our state. I want to personally thank our Chairman Massey Villarreal and our Board Members. When the dust settles this will go down as one of the best sessions for businesses.

Thank you for your commitment to TAB and to Texas. The Texas Miracle is alive and stronger than ever.

GLENN HAMER

President & CEO
Texas Association of Business





TAB BY THE NUMBERS

88th Texas Legislative Session | January - May 2023

Verbal Testimony

Written Testimony









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Tweets

Impressions

Op-Eds + Blogs

300

234,200



LinkedIn

Impressions

Press Releases

109

89,532







HB 5 (Hunter/Schwertner) — Texas Jobs, Energy, Technology, and Innovation Act — FOR

Results: PASSED, Signed by Governor

Establishes a new, transparent and accountable state economic development incentive tool that provides temporary tax limitations for large capital investments, bringing jobs and long-term revenue to Texas communities.

HB 8 (VanDeaver/Creighton) — Community College Finance — FOR

Results: PASSED, Signed by Governor

Establishes an outcomes-based funding model for community colleges that rewards colleges for positive outcomes, ensures equitable access through financial aid, and helps community colleges increase capacity to meet rapidly changing workforce needs.

HB 2127 (Burrows/Creighton) — Texas Regulatory Consistency Act — FOR

Results: PASSED, Signed by Governor

Prevents local governments from implementing regulations on private-sector employment, such as mandates on paid time off, overtime, and predictive scheduling to create a consistent set of laws for employers to operate under.

HB 4 (Capriglione/Hughes) — Texas Data Privacy & Security Act — FOR

Results: PASSED, Signed by Governor

Establishes a state data privacy standard that enables private sector innovation and protects the privacy and security of consumer data.

HB 9 (Ashby/Huffman) — Broadband Enhancement — FOR

Results: PASSED, Signed by Governor

Creates broadband infrastructure fund, allocating \$1.5 billion over the next 10 years. This major investment in broadband and telecommunication infrastructure will increase access and affordability to more Texans.

HB 19 (Murr/Hughes) — Business Courts — FOR

Results: PASSED, Signed by Governor

Creates specialty trial courts, giving businesses confidence knowing there are judges with the expertise necessary to deal with complex disputes among business parties.



HB 290 (Oliverson/Hancock) — Health Plan Options for Employers — FOR

Results: PASSED, Signed by Governor

Creates a new pathway for chambers and nonprofits to offer health insurance plans to their members, giving employers additional options to purchase health insurance.

SB 28 (Perry/King, Tracy) — Texas Water Development Board — FOR

Results: PASSED, Signed by Governor

Establishes the New Water Supply for Texas Fund to develop water supply projects that create new water sources for the state. Eligible projects include, but are not limited to desalination projects, aquifer storage, and infrastructure to transport water.

HB 12 (Rose/Kolkhorst) — Medicaid Following Pregnancy — FOR

Results: PASSED, Signed by Governor

Extends postpartum Medicaid coverage to 12 months after the end of pregnancy. The additional coverage will provide access to comprehensive healthcare which could lower maternal morbidity and mortality rates.

HB 3447 (Bonnen/Huffman) — Texas Space Commission — FOR

Results: PASSED, Signed by Governor

Establishes the Texas Space Commission and Texas Aerospace Research and Space Economy Consortium to leverage state resources on major space-related initiatives and foster continued investment in the state's space economy.

HB 2466 (Button/West) — Technology and Innovation Program — FOR

Results: Failed to pass

Creates the Texas Technology and Innovation Program to increase economic development and job creation.

SB 1238 (Nichols/Ashby) — Broadband Development — FOR

Results: PASSED, Signed by Governor

Updates statute to better align with updated federal guidelines on broadband mapping and availability.



SB 1499 (Nichols/Canales) — Funding for Ports — FOR

Results: PASSED, Signed by Governor

Allows funding from the port access account fund to be used in support of infrastructure projects and limits the amount of funds given to a specific district or port authority.

SCR 2 (Nichols/Canales) — State Highway Fund — FOR

Results: PASSED, Signed by Governor

Continues the deposit of certain sales tax and motor vehicle sales tax revenue into the State Highway Fund to ensure adequate long-term transportation funding.

HB 1595 (Bonnen/Huffman) — Texas University Fund — FOR

Results: PASSED, Signed by Governor

Redesignates the National Research University Fund as the Texas University Fund and offers performance-based funding for research institutions. This redesignation will allow universities to accelerate their progress in fulfilling the Building a Talent Strong Texas program that was established by the Texas Higher Education Coordinating Board.

HB 5174 (Bonnen/Huffman) — Texas CHIPS Act — FOR

Results: PASSED, Signed by Governor

The Texas CHIPS Act would strengthen Texas' investments in the semiconductor industry, encourage semiconductor-related companies to expand in the state, leverage the expertise and capacity at Texas higher education institutions, and maintain Texas' position as the nation's leader in semiconductor manufacturing.

HB 1707 (Klick/Hughes) — Regulatory Consistency for Charters — FOR

Results: PASSED, Signed by Governor

Requires local governments to apply the same locally determined zoning and permitting process for charters and traditional public schools.

SJR 81 (Birdwell/Wilson) — Permanent Instruction in Manufacturing and Technical Workforce Operations Funds — FOR

Results: Failed to pass

Creates the permanent technical institution infrastructure fund and workforce education fund to support Texas State Technical College System programs.



HB 1515 (Clardy/Springer) — Texas Economic Development & Tourism Office — FOR

Results: PASSED, Signed by Governor

Continues the Texas Economic Development and Tourism Office for another 12 years. Authorizes the Office to create advisory committees to make recommendations on how to best implement and improve programs operated within the Office.

HB 2575 (Button/Hancock) — Workforce Diploma Program — FOR

Results: PASSED, Signed by Governor

Postpones the expiration of the workforce diploma pilot program and specifies that for a provider to be eligible under the program, the provider must be working in partnership with an entity that can authorize and grant a high school diploma.

HB 3060 (Thompson,Ed/Hancock) — Advanced Recycling — FOR

Results: PASSED, Signed by Governor

Expands the scope of technologies included in advanced recycling to promote growth of industry and increased use of recycling technologies.

HB 1605 (Buckley/Creighton) — Foundation School Program — FOR

Results: PASSED, Signed by Governor

Provides schools with high quality, grade-level instructional materials, allows certain materials to be procured from the Foundation School Program, and revises the material review process.

HB 2060 (Capriglione/Parker) — AI Advisory Council — FOR

Results: PASSED, Signed by Governor

Establishes the Artificial Intelligence Advisory Council to study and monitor the use of Al systems by state agencies in Texas.

SB 1017 (Birdwell/Landgraf) — Regulating Energy Source — FOR

Results: PASSED, Signed by Governor

Prohibits political subdivisions from regulating a specific energy source or engine.



SB 784 (Birdwell/Landgraf) — Greenhouse Gas Preemption — FOR

Results: PASSED, Signed by Governor

Preempts local governments and jurisdictions from being able to regulate greenhouse gas emissions.

HB 1598 (Darby/Perry) — Regulation of Solid Waste Facilities — FOR

Results: PASSED, Signed by Governor

Preempts local governments and political subdivisions from being able to regulate certain solid waste facilities.

SB 502 (Hughes/Darby) — Disposal of Drill Cuttings — FOR

Results: PASSED, Signed by Governor

Revises tort liability shield provisions to include ancillary disposal of transferred drill cuttings. Includes expanded definition for drill cuttings.

HB 2416 (Paul/Alvarado) — Gulf Coast Protection Trust Fund — FOR

Results: PASSED, Vetoed by Governor

Creates the gulf coast protection trust fund administered by the General Land Office to fund infrastructure necessary to protect the coast.

SB 2294 (Creighton/Kuempel) — Texas First — FOR

Results: PASSED, Signed by Governor

Expands eligibility for the Texas First programs to more higher education institutions and establishes programs that facilitate early high school graduation and early enrollment into higher education institutions.

HB 681 (Bell/Bettencourt) — Virtual Education Commission — FOR

Results: Failed to pass

This legislation was the result of an interim commission established to develop and make recommendations regarding the delivery of virtual education in the public school system and state funding for virtual education under the Foundation School Program.



HB 2262 (Darby/Hughes) — Gas Utility Expenses — FOR

Results: Failed to pass

Allows gas utilities to blend gas to supplement current natural gas portfolio for commercial and residential uses.

SB 1204 (Paxton/Capriglione) — Information Security — FOR

Results: Failed to pass

Requires an independent cybersecurity assessment for state and local government agencies. It also facilitates cybersecurity resource sharing related to information security and information technology.

SB 896 (Hughes/Leach) — Anti-SLAPP — FOR

Results: Failed to pass

Provides a temporary stay of proceedings where a motion is denied for not being timely filed, is exempt under anti-SLAPP law, or is deemed frivolous.

HB 1755 (Button/Alvarado) — Workforce of the Future Fund — FOR

Results: PASSED, Signed by Governor

Creates the Lone Star Workforce of the Future Fund to increase current and future Texans to fill workforce gaps.

HB 2729 (Harris, Cody/Creighton) — Teacher Requirements for PreK Programs — FOR

Results: PASSED, Signed by Governor

Allows school districts to utilize public-private partnerships to find adequate teaching personnel by eliminating certain certification requirements for prekindergarten classrooms.

HB 2263 (Darby/Hughes) — Energy Conservation Programs — FOR

Results: PASSED, Signed by Governor

Authorizes a natural gas local distribution company to offer energy conservation programs.



HB 2073 (Price/Schwertner) — Purchased Power Cost Recovery — FOR

Results: PASSED, Signed by Governor

Authorizes an electric utility to recover fuel and purchased power costs.

HB 4390 (Button/Bettencourt) — Definitional Clarification for IRAP — FOR

Results: Failed to pass

Clarifies the definition of Industry-Recognized Apprenticeship Programs (IRAPs) to be tied to the Texas Workforce Commission rather than the Dept. of Labor's rescinded rule under the Biden Administration. This updated definition will allow Texas's IRAP Grant Program (\$20 million) to be funded.

SB 9 (Creighton) & HB 11 (Dutton) — Omnibus Education Bill — FOR

Results: Failed to pass

Omnibus education bill that would increase teacher pay and the basic allotment.

Major Budget Wins for Business in Texas:

- Texas Enterprise Fund \$150 million to attract new businesses to Texas
- Moving Image Industry Incentive Program \$155 million to create jobs in Texas
- Broadband Funding (HB 9) \$1.5 billion to invest in telecommunications infrastructure
- Texas Water Fund (SB 28/SJR 75) \$1 billion to develop new water supply projects
- Property tax relief \$17.6 billion, including \$12.2 billion in proposed new relief
- Community Colleges Finance (HB 8) \$683 million in additional funding
- Texas University Fund \$3 billion endowment to enhance university research
- <u>Texas Space Commission</u> \$350 million
 - Construct facilities adjacent to Johnson Space Center \$200 million
 - Texas Space Commission \$150 million to invest in state's space economy
- Texas Semiconductor Innovation Consortium \$698 million
- TX A&M \$200 million for quantum and artificial intelligence chip fabrication
- <u>UT-Austin</u> **\$440 million** for Texas Institute for Electronics
- Funding for foreign trade offices within the Office of the Governor to promote Texas
 investment and tourism. Including dedicated funding to support an economic
 development office in Taiwan.