

BILL ANALYSIS

Senate Research Center
87S20055 JSC-F

S.B. 14
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Business & Commerce
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Texas cities have begun passing local ordinances regulating private employment practices, creating a patchwork of different burdensome regulations across the state. These policies are better left to the employer, and if necessary, the state and federal governments, for the sake of better consistency, compliance, and flexibility.

These redundant, inconsistent patchwork regulations create massive compliance issues and bureaucratic hurdles for employers of all sizes, in addition to confusion for their employees. Streamlined statewide employment regulations allow job creators to spend less time fighting through a web of red tape and focus more time investing in their employees, their businesses, and their communities.

S.B. 14 would:

- Prohibit a municipality or county from requiring certain employment benefits or policies.
 - A municipality or county may not adopt any policy that exceeds or conflicts with federal or state law relating to any form of employment leave, hiring practices, employment benefits, scheduling practices, or other terms of employment.

S.B. 14 would not:

- Prohibit a city or county from adopting policies for their own public employees.
- Prohibit an employer from instituting their own employment benefits packages, leave time, or flexible work schedules.
- Affect a contract entered between a private employer or entity and a governmental entity.

As proposed, S.B. 14 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 any provision of an ordinance, order, rule, regulation, or policy that violates Subsection (a) is void and unenforceable.

(c) Provides that this chapter does not affect the Texas Minimum Wage Act under Chapter 62 (Minimum Wage) or a contract or agreement relating to terms of employment voluntarily entered into between a private employer or entity and a governmental 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: January 1, 2022.