



## **Texas Regulatory Consistency Act By Rep. Burrows and Sen. Creighton**

The Texas Regulatory Consistency Act restores the regulatory authority over the world's ninth largest economy to the state—rather than thousands of local governments— eliminating costly compliance burdens and fueling economic growth.

### Background

Texas' economy relies on businesses and industries that cross local government boundaries. They often have more than one location, they service customers in many locations, and their employees work at different locations or cross boundaries commuting to work.

Replacing the regulatory patchwork that currently comes from 254 counties and thousands of municipalities with a single set of predictable, consistent regulations will drive economic growth while enabling local governments to continue to respond to local needs.

### Bill Summary

HB 2127 / SB 814 returns commercial regulatory authority to the state where it originated by prohibiting cities and counties from regulating in a field occupied by the Agriculture, Finance, Insurance, Labor, Natural Resources, and Occupations Codes since these are the major provisions of law regulating commerce.

There are two exceptions to this prohibition, allowing cities and counties to continue to regulate within these Codes if:

- The field is not addressed by the Codes listed, or
- The local government has explicit authority for the regulation.

Importantly, this allows local governments to continue to regulate in the many areas that are traditionally within their scope, including public safety, zoning, nuisances, slaughterhouses, sexually oriented businesses (SOBs), and public buildings, facilities, and parks.

HB 2127 / SB 814 allows an injured party to bring a civil suit seeking declaratory and injunctive relief to enforce the bill.

### Committee Substitute

The committee substitute makes clarifying changes throughout.

In addition, the committee substitute:

- Clarifies that the bill does not stop cities and counties from building or maintaining roads, levying taxes, or providing the same services allowed by a general law municipality;

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- Adds the Business and Commerce Code and the Property Code;
- Specifies that a lawsuit to enforce the bill can be filed in the relevant county or an adjacent county; and
- Clarifies that the Labor Code occupies the field of employment leave, hiring practices, breaks, employment benefits, scheduling practices, and any other terms of employment that exceed or conflict with state or federal law for employers other than a municipality or county.

With these provisions, local governments can continue to respond to the local needs of their community while the state ensures a single set of predictable and consistent regulations governs the statewide economy.

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## Small Business asks you to SUPPORT HB 2127/SB 814

### The Texas Regulatory Consistency Act

#### **HB 2127/SB 814 by Burrows/Creighton would:**

- Prohibit a municipality or county from adopting, enforcing, or maintaining any ordinance order, or rule that would create regulatory enforcement powers inconsistent with those explicitly maintained by the state of Texas.

#### **HB 2127/SB 814 would NOT:**

- Strip municipalities from their expressly authorized powers.
- Affect services provided by a general law municipality.
- Affect a municipality's right to levy taxes.

#### **SUMMARY:**

Texas cities have begun to pass local ordinances regulating private employment practices— matters best handled at the state and federal level or left to the employer for the sake of better consistency, compliance, and flexibility to work with their employees. We've seen these cities even attempt to expand their jurisdictional powers into EPA, HHS, and other policy areas relating to major provisions of law regulating commerce.

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.

Texans overwhelmingly support consistent employment regulations:

- According to a recent WPA poll, **63%** of Texans said they do not want to enact a patchwork of local regulations by allowing cities to regulate private employment practices.
- **76%** said the Legislature should make sure laws and regulations are uniform across the state.
- **86%** of Republicans, **73%** of Democrats and **69%** of Independents agreed that labor regulations should not vary by city, creating confusion and compliance issues for employers and employees.