

Weekly Legislative Report

2.18.21



GOVERNOR:

Roundtable Discussion on Support for Small Businesses

On February 11, Governor Greg Abbott held a roundtable discussion at Ruibal's Plants of Texas in Dallas where he heard from the owners Ruibal's and GOLD Landscape and their employees on how the state can continue to support small businesses in Texas. Following the discussion, the governor held a press conference where he provided a summary of the roundtable.

During the roundtable discussion, the governor and attendees discussed the success of the Texas economy and how small businesses have continued to power that success. They also discussed the need for COVID-related civil liability protections for small businesses and talked about ways to reduce red tape that stifles businesses. The roundtable also included a discussion on broadband expansion, the need for more job training and workforce development, and other ways that the legislature can further support small businesses throughout Texas.

Governor Abbott said, "So much of Texas' economic success has been built by our small businesses—whether it's businesses in the green industry like Ruibal's or other thriving industries around our state. That is why it's important that Texas continues to foster the growth and success of the small business community. We're at Ruibal's Plants of Texas today to hear firsthand about the challenges that small businesses face and to develop solutions that elected officials in Austin can put forth to address those challenges. I look forward to working with my partners in the legislature and with small business leaders across Texas to seize the opportunities in front of us that will grow businesses, create jobs, and keep Texas a place of unmatched opportunity and prosperity."

SENATE:

The Senate was in session on Tuesday last week.

Senate Administration Committee

The Senate Administration Committee met upon adjournment of the Senate on Tuesday to take up and report out the "Blocker Bills," **SB 627** and **SJR 37** by Charles Schwertner (R-Georgetown), Chair of the Senate Administration Committee. Those bills will be at the top of the Senate's regular order of business calendar, therefore requiring a 5/9 vote of 18 members of the Senate to "suspend the regular order of business" to bring up other bills for consideration by the Senate.

Star Spangled Banner Protection Act

On February 10, Lt. Governor Dan Patrick announced that the Star Spangled Banner Protection Act, **SB 4**, will be among his legislative priorities this session. The purpose of the bill is to ensure that the national anthem is played at all events which receive public funding. Lt. Governor Patrick said, "It is hard to believe this could happen in Texas, but Mark Cuban's actions of yesterday made it clear that we must specify that in Texas we play the national anthem before all major events. In this time when so many things divide us, sports are one thing that bring us together—right, left, black, white, and brown. This legislation already enjoys broad

support. I am certain it will pass, and the Star Spangled Banner will not be threatened in the Lone Star State again.”

This Week: The Senate reconvened at 3:00 p.m. on Tuesday, February 16.

HOUSE:

The House was in session briefly on Tuesday and Wednesday last week.

House Administration Committee

On Wednesday, the House Administration Committee met to discuss organizational matters. The committee granted Chairman Will Metcalf (R-Conroe) the authority to act on the committee’s behalf in matters involving the management of the general budget, approval of expenditure requests by House members, management of House facilities, coordination with House support personnel, and general enforcement of House policies and procedures. The committee also:

- adopted the committee budgets for the 87th Regular Session;
- designated the executive director of the House Business Office as the committee’s executive agent for the processing and approval of applications by individuals for accreditation as media representatives and to allow the executive director to delegate tasks related to this responsibility to a House Business Office employee as needed to ensure efficiency;
- approved the electronic form of sworn statements used in the electronic witness registration system and the paper sworn statement and translator identification forms as provided to the committee by the Committee Coordinator; and
- approved the standard process for electronic submission and posting of public comments.

Chairman Metcalf appointed the **Subcommittee to Review the House Policies and Procedures Manual** composed of Representatives:

- Brooks Landgraf (R-Odessa), chair;
- Sheryl Cole (D-Austin), vice chair; and
- Stephanie Klick (R-Fort Worth).

The subcommittee was directed to work with James Freeman in the House Business Office to update the manual and to complete its work expeditiously.

This Week: The House reconvened at 2:00 p.m. on Tuesday, February 16.

The **Senate Finance Committee** met every day last week.

On Monday, they held an organizational meeting. Chair Jane Nelson (R-Flower Mound) kicked off the meeting by pointing out that the state will be in much better financial shape than it appeared last summer, and could even end the current biennium with money in the bank. She said, “Who could have imagined that last July, when there were indications that lawmakers could be facing a shortfall approaching five billion dollars?”

Comptroller Glenn Hegar testified on the state budget outlook. He said a major reason for the improved economic outlook is better-than-expected retail sales tax collections, off only about five percent from last year, half of what was anticipated. A major driver of robust collections was online sales taxes, which Hegar said amounted to \$1.7 billion over the last 15 months. Last

session, the legislature approved a bill that would permit the state to collect those taxes following a 2018 Supreme Court ruling allowing states to collect tax on sales made in online marketplaces.

Chair Nelson added, “Other states are really kicking themselves right now for not having put that in place before the pandemic.” She added that combined with about \$3.5 billion in federal COVID aid, which freed up state revenue, and a five percent cut for most state agencies, the state will likely end fiscal year 2021 with a positive balance. She said, “We made wise investments and they are paying dividends as we keep working to defeat this virus and get the economy on track. We don’t know how much federal aid is on the way, or what strings might be attached. But we do know this—we have the tools available to make this budget work.”

Nelson told members she expects a strong post-pandemic economic recovery, and the budget written for the next two years needs to account for that. She concluded, “Texas is going to come roaring back and this committee needs to make sure that we are doing what we can do in this budget to be ready for reigniting our economy.”

On Tuesday, the Senate Finance Committee took up the following Article I (General Government) agencies:

- Comptroller of Public Accounts
- Employees Retirement System
- Texas Emergency Services Retirement System
- Cancer Prevention and Research Institute of Texas
- Commission on State Emergency Communications
- Pension Review Board
- Commission on the Arts
- Library and Archives Commission
- Veterans Commission
- State Preservation Board

On Wednesday, the **Senate Finance Committee** took up the following Article I (General Government) agencies:

- Office of the Governor
- Trustee Programs within the Office of the Governor
- Office of the Attorney General
- Secretary of State
- Historical Commission
- Facilities Commission
- Public Finance Authority
- Bond Review Board
- Department of Information Resources
- State Office of Risk Management
- Ethics Commission

On Thursday, the **Senate Finance Committee** took up the following Article VI (Judiciary) agencies:

- Supreme Court of Texas
- Courts of Appeal
- Comptroller's Department – Judiciary Section
- Office of Court Administration
- Texas Indigent Defense Commission
- Office of State Prosecuting Attorney
- State Law Library
- Office of Capital and Forensic Writs
- Commission on Judicial Conduct

Note: *The Senate Finance Committee was scheduled to meet on Friday if necessary to complete pending business, but that meeting was canceled.*

Next Week:

The **Senate Finance Committee** met on Tuesday, February 16, at 10:00 a.m. in E1.036, the Senate Finance Committee Room, to take up the following Article V (Public Safety and Criminal Justice) agencies:

- Department of Public Safety
- Department of Criminal Justice
- Juvenile Justice Department
- Board of Pardons and Paroles
- Commission on Jail Standards
- Military Department
- Texas Alcoholic Beverage Commission
- Commission on Fire Protection
- Commission on Law Enforcement

The **Senate Finance Committee** met on Wednesday, February 17, at 9:00 a.m. in E1.036, the Senate Finance Committee Room, to take up the following Article VI (Natural Resources) agencies:

- General Land Office and Veterans' Land Board
- Department of Agriculture
- Parks and Wildlife Department
- Animal Health Commission
- Railroad Commission
- Soil and Water Conservation Board
- Water Development Board
- Debt Service Payments – Non-Self Supporting G.O. Bonds
- Commission on Environmental Quality
- Low-Level Radioactive Waste Disposal Compact Commission

The **Senate Finance Committee** met on Thursday, February 18, at 9:00 a.m. in E1.036, the Senate Finance Committee Room, to take up the following Article VII (Business and Economic Development) agencies:

- Department of Transportation
- Department of Housing and Community Affairs
- Department of Motor Vehicles
- Workforce Commission
- Reimbursements to the Unemployment Compensation Benefit Account
- Lottery Commission

And to take up the following Article III (Regulatory) agencies:

- Public Utility Commission
- Office of Public Utility Counsel
- Department of Insurance
- Office of Public Insurance Counsel
- Office of Injured Employee Counsel
- Executive Council of Physical Therapy and Occupational Therapy Examiners
- State Office of Administrative Hearings
- Texas Medical Board
- Texas Board of Nursing
- Board of Chiropractic Examiners
- Board of Dental Examiners
- Optometry Board
- Texas Behavioral Health Executive Council
- Health Professions Council
- Board of Veterinary Medical Examiners
- Board of Pharmacy
- Securities Board
- Funeral Service Commission
- Board of Plumbing Examiners
- Racing Commission
- Department of Licensing and Regulation
- Board of Professional Geoscientists
- Special Provisions Relating to All Regulatory Agencies

The **Senate Finance Committee** will meet on Friday, February 19, at 9:00 a.m. in E1.036, the Senate Finance Committee Room, if necessary to complete pending business.

Note: Additional meetings of the Senate Finance Committee have been posted for every weekday through March 2, 2021.

The **House Appropriations Committee** met on Tuesday, February 16, at 9:00 a.m. in E1.030, the House Appropriations Committee Room, to hear invited testimony on:

- 2022-2023 Biennial Revenue Estimate
- Economic Stabilization Fund
- Spending Limits
- Contracting
- House Budget Recommendations
- State Response to COVID-19
- Federal Response to COVID-19
- Other budget matters

The **House Appropriations Committee** met on Wednesday, February 17, at 1:00 p.m. in E1.030, the House Appropriations Committee Room, to hear invited testimony on:

- Public Education
- Higher Education
- Teacher Retirement System
- Employee Retirement System
- Audits Affecting the Budget
- Sunset Recommendations Affecting the Budget
- Other budget matters

The **House Appropriations Committee** met on Thursday, February 18, at 9:00 a.m. in E1.030, the House Appropriations Committee Room, to hear invited testimony on:

- Health and Human Services
- Behavioral Health
- Transportation
- Infrastructure funding
- Other budget matters

STATEWIDE:

Proposal to Prohibit Business Interruption Orders

On February 9, Representative Jared Patterson (R-Frisco) announced the filing of **HJR 85**, which would propose a constitutional amendment prohibiting an agency or officer of the executive department or a political subdivision from prohibiting the operation of an industry or other category of business or commercial activity otherwise legally operating in the state.

Representative Patterson said, “For nearly two decades, Texas has led the nation in job creation and economic growth. Policies like lowering taxes and decreasing regulation combined with a stable legal environment has pushed Texas forward as the envy of a great nation. In doing so, we have fueled a massive expansion of small businesses, allowing Texans to risk their fortunes on their ideas and their ingenuity. However, over the past year too many small businesses have been forced to close, some permanently. So many Texans have lost their lives because of this virus, but they have not been the only casualties. Losing a job or a business can cost more than just a paycheck; it can cost your healthcare, your housing, your education, your retirement, and your pride.

“There can be no doubt that our challenges over the past year have been incredible. I am grateful for Governor Abbott’s leadership during this pandemic. He has continued to navigate an unprecedented and seemingly impossible situation by prioritizing the health of Texans. Even here in Denton County, we’ve seen strong leadership at the county and local level. However, the same may not be said about all executives. Moreover, through any crisis you undoubtedly learn many lessons.

“I filed HJR 85 to protect lawful Texas businesses from government-enforced closures in the future. No one person at any level of government should have that authority. Moving forward, I want business owners and employees in Texas to know their judgment will be trusted and their rights will be protected.”

STATEWIDE COVID-19 RESPONSE:

DSHS Weekly Vaccine Distribution Update

On February 5, the Department of State Health Services issued its weekly update on Vaccine distribution in Texas for the week of February 8. It said, "The state of Texas will receive 401,750 first doses of COVID-19 vaccine from the federal government for the week of February 8. The Texas Department of State Health Services has instructed the Centers for Disease Control and Prevention to ship those doses to 358 providers in 135 counties across Texas. That includes 85 hub providers that will focus on broader community vaccination efforts including the hardest hit populations and areas in exchange for a steady supply of vaccine from week to week. An additional 273 providers will receive doses with a focus on those that serve older adults, such as health departments, pharmacies, federally qualified health centers, community and rural clinics, and some medical practices that specialize in care for older adults. DSHS is encouraging providers to make accommodations for people 75 and older, who remain at the highest risk of severe disease, hospitalization, and death from COVID-19. For example, providers could set aside a certain number of doses for older adults, serve them during special hours, help them move through vaccine clinics more quickly, or work with local partners to facilitate in-home vaccination. This does not change the groups eligible for vaccination. In addition to the first doses mentioned above, the state is ordering 330,925 doses intended as the second dose for people first vaccinated a few weeks ago. DSHS is working with providers to make sure that they order the number of second doses they need at the appropriate time. People should be able to return to the same provider to receive their second dose within six weeks of getting the first."

Here is some additional information provided:

- Texas providers have administered nearly 2.9 million doses of vaccine.
- More than 2.2 million people have received at least one dose, and nearly 670,000 have been fully vaccinated.
- People are not required to be vaccinated in their county of residence, and vaccine has been administered to residents of all 254 counties.
- Texas continues to vaccinate health care workers, residents of long-term care facilities, people 65 and older, and those with medical conditions that put them at greater risk of hospitalization and death from COVID-19.
- Vaccine remains limited based on the capacity of the manufacturers to produce it, so it will take time for Texas to receive enough vaccine for all the people in the priority populations who want to be vaccinated.
- Currently, there is not enough vaccine to supply every provider with vaccine every week.
- On February 4, Johnson & Johnson filed with the Food and Drug Administration for emergency use authorization to distribute its single-dose vaccine. The FDA will consider that application over the next few weeks.