



THE TEXAS STATE CHAMBER

TEXAS ASSOCIATION OF BUSINESS 2019 FEDERAL PRIORITIES



BUSINESS REGULATIONS

Business Regulations

Support efforts to roll back federal regulations as overregulation diminishes business' successes. Ensure regulations do not encroach into states' authority.

Privacy

Support legislation and regulations that protect consumer privacy and prevent identity theft without imposing unfair liabilities on companies who collect and store personal information for proper business reasons or punishing companies for the criminal acts of those who compromise company security. Advocate for a preemptive federal data privacy law.

Cyber Security

Support policies and efforts to promote sound cybersecurity actions and collaborations between the federal government and providers of critical infrastructure that protects national security and global commerce and trade.

Small Business

Support efforts that provide capital for small business growth and eliminate regulatory and administrative barriers that limit the ability of small business owners to compete.

CRIMINAL JUSTICE

Background Checks

Improve the accuracy of background records, especially those sold to private entities.

Community Supervision

Expand alternatives to incarceration such as community supervision and residential re-entry centers, both pre-trial and post-sentencing.

Criminal Code

Consolidate crimes into a unified criminal code to eliminate redundancy and to ensure the criminal code is relevant.

Early Release

Expand the use of early release programs where appropriate, such as for the elderly and terminally ill.

Fair Sentencing

Allow federal prisoners to return to court to seek fairer sentences in line with the Fair Sentencing Act of 2010.

Job Training

Expand programs that allow for job training of those incarcerated to reduce recidivism.

Judicial Flexibility

Expand the existing federal "safety valve," which applies to people who commit drug offenses, and give judges the ability to impose a sentence informed by specific factual circumstances.

Mandatory Minimum Sentences

Reduce the length of federal mandatory minimum sentences for non-violent offenses so the punishment fits the crime, with the goal of cutting costs, reducing recidivism and safely reducing the federal prison population.

Recidivism Reduction Programs

Extend programs that allow more inmates to reduce their sentences through credit for good behavior and participation in intensive recidivism reduction programs designed to rehabilitate incarcerated individuals and ensure success after release.

DISASTER RECOVERY

Coastal Barrier

Support the feasibility study, planning, engineering, and funding of a coastal barrier that will protect the vital industrial base of the Texas Gulf Coast from catastrophic storm damage.

Disaster Recovery Funding

Support initiatives to improve federal emergency aid for disaster response, reimbursement to responders, and recovery funding. Support the determination and application of fair allocation methods to establish eligibility for federal recovery funds.

Flood Control and Storm Mitigation

Support efforts at the federal level, including the provision of funding, that will address the need to:

- Re-map floodplains periodically based on the latest data derived from recent storm events;
- Improve flood control and stormwater management infrastructure in areas subject to frequent or significant storm events;
- Evaluate the potential for storm surge and storm events to negatively impact critical manufacturing and energy infrastructure;
- Improve disaster response planning and the ability to address risks to critical utility infrastructure, debris management, evacuation routes, and other support needs; and
- Evaluate federal water project management protocols, including power generation requirements of Federal Energy Regulatory Commission (FERC), to balance project objectives and the mitigation of both upstream and downstream flood impacts.

Hurricane Harvey

Advocate for continued federal, state, and local investment in recovery and rebuild efforts for Texas-specific projects.

National Flood Insurance Program

Support efforts to improve the ability of the federal flood insurance program to provide affordable insurance while maintaining actuarially sound premiums and eliminating federal subsidies.

Refinery Capacity

Support efforts to ensure that domestic refining capacity is capable of withstanding significant storm events or other events that threaten our critical fuel supplies and security.

EDUCATION & WORKFORCE

Early Learning Investments

Support investment in the expansion of high-quality early learning programs that boost school readiness and early learning.

Federal Block Grants

Support efforts to fund state workforce programs through federal block grants with maximum flexibility on the use of the funds.

Funding

Give flexibility to local school districts to allocate federal funds to the areas of greatest need. Oppose measures to place demands on the specifics of spending federal monies.

Innovative Learning Models

Support all efforts to allow for greater flexibility in how states work within the federal funding system to support state and local school improvement efforts. Innovative learning models should be provided the opportunity to thrive, especially in areas that promote expanded access to education, speed time to degree completion in higher education and reduce reliance on student loan borrowing. Specifically:

- Support Competency Based Education (CBE) to be utilized as part of any federal higher education reform.
- Support Career and Technical Education funding and innovative programming.
- Support new and expanded opportunities for access to STEM education through additional funding for grants and additional teacher training programs.

University-Based Research

Strengthen the climate in the U.S. for innovation and encourage Congress to provide additional funding for university-based research in the physical sciences. This includes further increases in the budget for the National Science Foundation and other engineering-related research initiatives.

Workforce Innovation and Opportunity Act (WIOA)

Support federal investment into the WIOA to its authorized levels to enable the employer-led, locally driven national workforce system to increase the skills of the American workforce and the ability of our businesses to have the skilled workforce they need to innovate and become more productive.

Workforce Training

Support reforms that ensure that training programs are market-driven and aligned to the needs of employers focusing on high demand skills and occupations. Support incentives, including tax credits, that expand partnerships between employers, education, and the workforce that result in employer-led work-based learning opportunities or high demand educational scholarships. This should include investment in employer aligned innovative strategies to increase apprenticeships.

EMPLOYMENT RELATIONS

Alternative Dispute Resolution (ADR)

Support maintaining the Federal Arbitration Act and support the right of employers to make binding arbitration or other ADR programs a condition of employment. Oppose efforts to increase the burden of regulations on ADR.

Background Investigations

Support efforts to ensure that employers can conduct appropriate background investigations of prospective employees including reference, credential, or education certifications; criminal history; credit checks; and drug tests.

Collective Bargaining

Oppose federal efforts to unify state collective bargaining laws for public employees of state or local governments.

Devolution of Federal Programs to the States

Support transferring control over federally mandated programs like unemployment insurance to the states, thereby reducing employers' tax burdens and increasing state responsibility for workforce-related programs.

Employee Free Choice Act

Support efforts to protect an employee's right to vote in a private, federal government-supervised election during organizing campaigns, and oppose efforts to require an arbitrator to produce a first contract binding on the employer and employees if the union and employer could not negotiate and mediate a contract within a short time period.

Employer Compensation Decisions

Support efforts that ensure an employer's ability to base employee compensation on factors such as education, experience, and salary history.

Fair Labor Standards Act Reform

Support efforts to reform wage and hour laws by allowing more flexibility for employers and employees in hours worked during a pay period before mandating overtime pay.

Fair Pay and Safe Workplaces

Oppose any effort, including executive orders, which would unnecessarily duplicate existing safeguards in the federal contracting process.

Family and Medical Leave Act (FMLA)

Support efforts to ensure that FMLA coverage will not be expanded to cover more employees or subject even more employers to the complicated and burdensome requirements of that law. Oppose any initiatives to require employers to pay for FMLA leave with unemployment insurance taxes.

Forewarn Act

Oppose efforts to expand the notice requirements to employees beyond the 60 days in current law in the event an employer is required to close a plant closing or undertake reduction in workforce.

Fraud Control

Support legislation to allow the state agencies to hire outside contractors on a pay-for-performance basis to assist in efforts to detect and remedy benefits fraud.

Healthy Families Act

Oppose efforts to mandate a one-size-fits-all paid sick leave package that could result in significant costs for employers as well as a loss to employees who prefer other benefits rather than sick leave.

Joint Employer Standard

Oppose efforts, including initiatives of the National Labor Relation Board (NLRB), to overturn the long-standing “joint employer” standard.

Minimum Wage

Support efforts to maintain the minimum wage.

Occupational Safety and Health Administration (OSHA) penalties

Oppose efforts to unnecessarily increase regulatory burdens and increase fines for employers. Support efforts to provide protection from liability for employers required to comply with OSHA requirements that may conflict with environmental or other safety requirements.

Overtime Compensation

Oppose any effort to expand overtime obligations of employers that increase compliance costs for businesses or allow workers to qualify for overtime regardless of their supervisory duties.

Project Labor Agreements

Support efforts to preserve open competition and federal government neutrality toward the labor relations of federal government contractors on federally funded construction projects.

Unemployment Savings Accounts (USAs)

Support fundamental changes in the unemployment insurance system that would abolish traditional federally controlled unemployment insurance programs in favor of establishing individual USAs for employees that would be available if needed for unemployment, training, or as a supplement to retirement income.

Union Dues Check-off

Oppose efforts to allow public employees or require private employers to subsidize or promote labor unions or similar organizations through payroll collection of dues and contributions.

Workplace Flexibility.

- Support efforts to ensure that employers can create flexible workplace programs and policies to meet the needs of an ever-evolving workforce without expanding required leave benefits.
- Support efforts to allow private-sector employers to give their hourly employees the choice of compensatory time off or pay for overtime hours worked.

ENERGY

Clean Energy Development

Encourage expanded federal research and development programs for clean energy technology with a high priority toward:

- Development of low-emission, coal-fueled, and advanced nuclear technology;
- Technically feasible carbon storage and sequestration that is consistent with Texas geology and maximizes the potential for ancillary recovery of other energy resources (e.g., enhanced oil recovery); and
- Other advanced emission controls related to energy development and production.

Domestic Energy Production.

- Support efforts to maximize the development and production of domestic energy sources to improve energy security and remove barriers to diversification of the domestic energy market and job growth in the domestic energy industry.
- Support efforts to expedite the permitting and authorization of Liquefied Natural Gas (LNG) and other domestic export facilities.
- Support efforts to remove obstacles to the development of offshore energy sources that allow some states to benefit from the supply of products derived from offshore production in other states while unreasonably prohibiting local or regional access to offshore energy resources.
- Support efforts to remove unreasonable restrictions on development of new energy resources, such as shale natural gas resources, based on unsound or unproven technical assessment of environmental impact.
- Oppose efforts to slow or delay production of domestic energy resources under the guise of “studying” environmental impacts or attempting to supersede state authority for regulation of oil and gas exploration and development.
- Support efforts to revoke, stay, or annul unreasonable regulations promulgated to establish new ozone standards.
- Support efforts to revoke, stay, or annul the “Clean Power Plan,” with specific focus on the regulation of methane and greenhouse gas emissions, and ensure that any replacement for the Clean Power Plan adheres strictly to the limitations and intent of the Clean Air Act.

Electricity.

- Support an environment of full and fair competition and customer choice in the electricity industry that will provide for nondiscriminatory open access to facilities for wholesale and retail transactions, consistent with the existing market regulatory structure within Texas.
- Support federal government efforts that rely on market forces to provide adequate and reliable energy supplies and do not mandate specific sources of energy used in electric power generation that discriminate among energy options, inhibit efficient markets, and harm consumer, investor, and public interests.
- Oppose efforts that will force the abandonment of critical, affordable electric generation capacity based on climate change or environmental policies that have not been demonstrated to be based on sound scientific principles or an accurate assessment of real and comprehensive costs and benefits.
- Support energy policies applicable to all energy sources that avoid subsidies and loan guarantees that create incentives that favor particular fuels, technologies, or industry participants.

Energy Diversity.

- Support a federal energy program that allows a free market to determine how best to meet the goals of increasing the diversity and sustainability of fuel and energy sources, including the use of oil, natural gas, coal, wind, solar, nuclear, biomass, and waste-derived power, developed and made available in an environmentally safe manner.
- Support efforts to promote the development and use of renewable energy sources that are technically feasible and capable of competing in an open market.
- Oppose any Congressional or regulatory agency efforts that would dictate the use of specific fuels for industrial sources.
- Oppose the use of environmental regulatory controls that have the specific effect of promoting an alternative energy policy, such as forcing fuel switching by increasing regulations on coal and oil or natural gas-powered energy facilities (e.g., “Clean Power Plan”).

Energy Efficiency.

- Support those energy efficiency measures that are voluntary and allow the free market to determine what is technically feasible and cost-effective.
- Oppose energy efficiency measures that impose unfair or discriminatory requirements on manufacturers, result in unreasonable costs to consumers, or negatively affect competitiveness in national or international markets.
- Support efforts to ensure that the Environmental Protection Agency (EPA) appropriately credits progress towards environmental targets, such as air quality standard or greenhouse gas emission reductions, when those targets are achieved via energy efficiency and demand response measures established by the State of Texas.
- Support research and investment in innovative technologies including energy storage and advanced nuclear.

Grid Reliability

Support requirements that any federal rule that impacts electric generation must take into account the effects on electric reliability and the potential costs of service interruptions due to lack of adequate reserve margins.

Pipeline and Transmission Capacity

Support efforts that will ensure that the federal government will assist and encourage the construction of additional pipeline and transmission capacity to connect producing regions and consuming regions to meet growing demand and maintain the integrity of existing infrastructure in order to continue to protect public safety. Support the Keystone XL Pipeline Project and other infrastructure projects that will enhance our domestic energy security and expand the uses and markets for domestic energy products.

Refinery Capacity

- Encourage the development of a new refining capacity in the U.S. and ensure that more stringent environmental permitting and enforcement regulations or facility performance standards do not unduly hinder potential expansions.
- Ensure that domestic refining capacity and energy security are appropriately taken into consideration when weighing presumed environmental or public health costs or benefits.

Renewable Energy

- Support federal government efforts to foster research and development of renewable energy sources and technology, including storage technology for sources such as wind and solar, with the specific goal of bringing to the market energy sources that can compete with more traditional and dependable energy sources without distortions in markets or unreasonable cost increases to any class of consumer.
- Support efforts to ensure that the definition of renewable energy encompasses Combined Heat and Power (CHP) or other distributed generation technologies that meet power demands and improve energy security by reducing demand on the power grid.
- Oppose those efforts that mandate specific utilization of renewable sources in the supply mix that do not clearly and adequately protect against unfair and unreasonable cost impacts to consumers.
- Oppose new subsidies and support the ending of existing subsidies for established energy technologies where those subsidies are no longer required to provide market opportunities and unduly distort competitive energy markets.

Smart Grid Technology

The term “smart grid” refers to the use of the modern computer, meter, and communications technology to improve intelligent and efficient operation of the electric power grid and enable consumers to better manage consumption.

- Support the proper development and use of smart grid technology to ensure more efficient use of available power resources and reduce the environmental impact of power generation and use.
- Support the expansion of smart grid technology, where cost-effective, and the use of existing communications infrastructure where it can be demonstrated to reduce cost or enhance reliability and security of the grid.
- Support efforts to provide an improved regulatory framework for grid cybersecurity that is compatible with existing industry standards.
- Support regulations or legislation that address limits of liability due to cyber incidents and the ability to share information among private and public parties.
- Ensure that data privacy regulation does not unduly burden or harm the ability to deliver services, especially in competitive markets.

Tax and Capital Formation.

- Support efforts to maximize the full development of our energy resources by providing laws and regulations that ensure adequate capital formation.
- Oppose any changes to tax law or policy that reduce existing market incentives for domestic energy production or that treat domestic energy producers inequitably when compared to other businesses or producers.
- Consistent with TAB efforts to ensure free and open markets, oppose efforts to impose undue restrictions on the export of oil and natural gas.

ENVIRONMENTAL QUALITY

Air Quality Control Technology

Support efforts that will maintain the historical definition of best available control technology (BACT). Oppose attempts by the Environmental Protection Agency (EPA) to reinterpret BACT to require changes in fuel source for combustion sources or any alternatives that represent fundamental changes in the design or purpose of a proposed emission source not related to emission controls.

Clean Air Act Amendment

The developments in air quality and air quality regulation have rendered the specific provisions of the original Clean Air Act less than useful in addressing the current conditions, sources of pollutants, and technologies available. Just as changing circumstances led to the major amendment of the Clean Air Act in 1990, it is time, after more than two decades, to re-visit the statute and make changes that will ensure that the statute is both consistent with its original intent and better able to address current conditions and needs.

- Support amendments to the Clean Air Act that will clearly focus the act on pollutants that represent direct public health threats and prevent its application to greenhouse gases and climate change or energy policy.
- Support Clean Air Act revisions to the State Implementation Plan process to address all sources of pollution, including foreign sources, and restore the cooperative state-federal relationship intended in the original Act.
- Modify the rulemaking process to ensure that costs and benefits of air quality regulations are accurately determined and used appropriately in decision-making.
- Support specific amendments to the Clean Air Act Section 179(b) and necessary procedural and regulatory requirements that will ensure that in meeting a national ambient air quality standard a state is not required to offset contributions of pollutants from any other state or country over which the states have no statutory or regulatory authority.

Climate and Energy Policy

- Support federal research efforts on climate change if those efforts are focused on an understanding of the natural functions of global climate and forcing factors and fairly consider all sources of legitimate scientific evidence.
- Support federal climate and energy legislation that promotes the production of domestic energy sources in the most environmentally protective manner that is economically practical.
- Oppose greenhouse gas limitations that do not derive from energy efficiency, development, and utilization of clean energy technology and market-based incentives for changes in energy production and consumption.
- Oppose greenhouse gas limitations that do not equitably apply to all global emission sources, will not have any significant effect on actual greenhouse gas conditions, or adversely affect the competitive position of U.S. businesses in world markets and simply shift business activity and greenhouse gas production overseas.
- Support efforts to require that any greenhouse gas regulation adopted by EPA must first demonstrate a positive ratio of costs to benefits solely within the United States and cannot be based on a cost analysis in which presumed benefits from other countries offset negative economic factors in the U.S.
- Support efforts to ensure that comprehensive cost analyses include infrastructure improvement costs required to reach environmental goals (e.g., pipeline or electric transmission and distribution build-out related to new generation facility construction or fuel conversion).
- Oppose cap-and-trade proposals for greenhouse gas regulation intended to affect energy markets or prices.
- Support attempts by Congress to reassert its constitutional role to establish regulatory authority in law and prohibit EPA from regulating greenhouse gases that pose no direct public health risk under the Clean Air Act.
- Support revisions to the Clean Air Act that will restore a common-sense focus on actual pollutants and direct protection of public health rather than efforts to implement an energy policy agenda through regulation of air quality (e.g., “Clean Power Plan” greenhouse gas and oil and gas facility methane rules).

- Support efforts to require that the analysis of environmental and public health benefit from federal rules, including the Clean Power Plan, be limited to those benefits that are specifically attributable to the pollutant or constituent for which the statutory authority to regulate is cited by a federal agency in promulgating the rule.
- Support efforts that will prohibit the double counting of benefits that have already been accounted for in the regulatory analyses of pollution controls or reductions that the agency has previously addressed or is required to address under other, more specific authority.

Coal Combustion Wastes

- Support efforts to ensure that states retain the primary legal authority to regulate the management, storage, and disposal of coal combustion wastes.
- Oppose any efforts by EPA to reclassify coal combustion wastes or by-products as hazardous waste or impose any additional material storage or use requirements that are not based on a clearly demonstrated and documented risk to public health.
- Support a regulatory framework that provides for the continued ability to recycle or use coal combustion wastes for ancillary purposes (e.g., concrete manufacture) and does not require unduly burdensome storage requirements.

Endangered Species

Support comprehensive reform of the Endangered Species Act that will:

- End the practice of preventative listings and require that no species can be listed as endangered until a proper scientific basis for listing has been clearly established;
- Balance costs and benefits and ensure that the economic activities that are shown to actually negatively affect an endangered species are accommodated to the maximum extent practicable;
- Support voluntary efforts that can be shown to provide adequate species accommodation without having to list a species;
- Recognize that species survival may depend on natural changes in population dynamics and habitat and that it is not the role of government to alter or attempt to change the outcome of natural species interactions;
- Streamline the process of delisting so that unnecessary regulation of economic activity based on outdated or inadequate scientific justification is ended as soon as a factual basis for the delisting is confirmed;
- Adjust the required response of the U.S. Fish and Wildlife Service to petitions to list endangered species consistent with budget appropriations and resources; and
- Support the ongoing efforts to prohibit the use of the process of “sue and settle” for the purpose of establishing schedules for listing decisions that preclude the opportunity to develop an adequate scientific basis for listing.

Environmental Justice

Support the granting or renewal of permits based on the technical sufficiency of an application for approval and appropriate environmental and health-based standards. Oppose efforts by the EPA to use environmental justice concerns to prevent industrial and business development that meets all applicable environmental requirements based upon the racial and economic demographics of the area.

EPA Regulatory Actions

Support efforts to prohibit EPA or other federal regulatory agencies from arbitrarily rescinding or reinterpreting regulatory policies, guidance documents, or agency regulatory authority except as expressly provided by law, including all applicable public notice and comment opportunities. Also, support efforts to require EPA to limit the number and significance of proposed rule changes and regulatory actions to ensure that all statutory requirements for analysis of potential cost and environmental impact are fully complied with and that all affected parties have both appropriate notices of proposed actions and adequate opportunity to assess and respond to EPA initiatives.

Innovative Leak Detection Technology

Support changes to federal requirements for assessment of fugitive emissions to ensure that the most effective new technologies are available for use.

National Ambient Air Quality Standards (NAAQS)

- Support efforts to amend the Clean Air Act to establish a periodic review schedule for NAAQS of no less than 10 years and require that subsequent revisions must be based on the availability of new and compelling scientific justification.
- Support efforts to limit further attempts by EPA to impose more stringent ozone or other pollutant NAAQS until efforts to meet existing standards are demonstrated to be achieving no progress in air quality improvement.

- Support reform in the scientific review process for air quality standards to ensure that any proposed changes must be based on more clear and certain justification of risk reduction and protection of public health.
- Support efforts to require that the technical justification for air quality standards be based on public disclosure and peer review of all scientific evidence, disclosure of conflicts of interest by researchers and other sources of data used to support regulatory air quality standards, and rigorous standards for scientific validity.
- Support legislation and Congressional oversight to ensure that federally regulated emission sources are required to institute emission reductions contemporaneously with and commensurate with the reductions imposed upon sources regulated by the states in attempting to meet federal air quality standards.

Recycling

- Oppose federal waste classification schemes that treat recyclable and reusable materials as wastes and create obstacles to free-market access to valuable materials through unnecessary and economically impractical regulations.
- Oppose legislative efforts to implement mandatory take-back programs for consumer electronics, appliances, or other products that unfairly place the cost burdens and legal liabilities on manufacturers and/or distributors.
- Oppose limitations and restrictions on the types of materials contained in electronics and appliances produced or sold in Texas.
- Support voluntary take-back programs, and support research programs that would lead to increased recycling, refurbishment, and reduction of hazardous materials in landfills.
- Oppose recycling incentive programs that create enforcement liabilities for landfill operators who receive materials that are safely disposed in modern compliant landfills.

Toxicology and Risk Assessment

- Support efforts that will prohibit the imposition by EPA of more stringent environmental standards based on uncertain scientific evidence or solely on statistical correlations in the absence of clear demonstrations of cause and effect relationships between exposure and health effects.
- Support efforts to require a more rigid and thorough peer-reviewed process for establishing any new environmental exposure standard or screening level.
- Support efforts to ensure that conservative screening levels for chemical constituents established for the purpose of guiding further regulatory actions or permitting decisions are not inappropriately utilized as enforceable regulatory standards.

HEALTH CARE

1115 Medicaid Transformation Waiver

Support continuation of the 1115 Medicaid Transformation Waiver and a call for negotiations with Centers for Medicare and Medicaid Services (CMS) to develop an appropriate renewal of the waiver at the end of the five-year renewal period.

Access and Quality

Support increasing access and choice of health care programs by promoting market-driven health care policies. TAB supports the equal tax treatment of individual and group health insurance.

Association Health Plans

Support efforts to allow State and local chambers and other associations to offer competitive health care options to small business owners and their employees.

Effective Competition in Health Care Markets

TAB favors maximum reliance on market forces in the health care sector. For market forces to control costs and improve quality, there must be competitive markets. Health care providers and health plans have been consolidating since the passage of PPACA. Consolidation can have benefits for consumers, but consolidation can also weaken competitive market forces to the detriment of consumers. Federal agencies should carefully monitor market conditions and apply current law to protect purchasers of health care services.

Employee Retirement Income Security Act (ERISA)

Support efforts to preserve employer rights and employee health care system benefits of the ERISA. Oppose any legislation that would jeopardize the benefits of millions of Americans who receive their existing health insurance coverage through the employment-based system. Ensure that employers retain the right to craft their health care coverage without the burden of federal and state regulations.

Employer Liability

Prevent needless increases in cost and litigation by opposing any legislation that creates or expands causes of action against employers and insurance carriers for medical negligence or harm incurred by health care providers.

Excessive Regulations

Oppose burdensome regulation of private health care organizations that are not necessary to protect consumers and that increase administrative costs ultimately borne by patients and health plan members. Oppose government-mandated price controls for private sector medical products and health insurance. Oppose state imposition of restrictive licensing, regulations, or similar requirements that raise the cost of care. Oppose legislation or rulemaking that imposes more burdensome bureaucratic regulations with no cost savings to employers, consumers, or the state.

Health Care Costs

The United States is spending over 18% of GDP on health care while European countries with comparable populations are able to produce equal or better population health for 8-9% of GDP. The excessive U.S. public and private health care costs are preventing wage increases for workers, increasing federal debt and making public funds unavailable for other critical uses such as infrastructure, defense, and education. The federal government should identify the reasons for the high cost and low efficiency of the U.S. health care sector and determine what federal actions can reduce the percentage of GDP spent on health care.

Health Care Liability

The medical liability system costs the U.S. health care system over \$55 billion annually. TAB supports reforming the medical tort system to reduce the perverse incentive for providers to perform unnecessary tests. Also, caps on noneconomic damages in medical malpractice cases should be enacted, and medical malpractice cases could be tried in special administrative health courts, similar to bankruptcy courts to reduce the cost of litigation.

Health Information Technology (HIT)

TAB supports health HIT initiatives to reduce medical costs, improve quality, reduce medical errors, and promote continuous care. Easier access to personal medical records and expanded use of telemedicine allows patients to interact with physicians before health issues become more serious and more expensive to treat. TAB supports legislation that would further accelerate the use of health information technology, such as allowing the use of telemedicine across state lines.

Health Reimbursement Arrangements (HRAs)

Employers should be able to provide their workers with tax-free money to help their employees buy health care coverage, subsidize premiums, or pay for qualifying medical expenses. TAB supports allowing employers of all sizes to have the flexibility to offer a variety of different benefits to their employees.

Health Savings Accounts (HSAs)

TAB supports empowering individuals to better handle their share of health care costs and improve access to coverage by expanding HSAs and reducing restrictions on the accounts. TAB supports legislation to allow individuals to deposit pre-tax dollars to health savings accounts for individual or group policies and supports increasing the variety of accounts.

Mandated Benefits

TAB supports eliminating federal and state mandated benefits, including those services required in standard plans under Patient Protection and Affordable Care Act (PPACA). TAB opposes any efforts to mandate additional benefits in health care policies that significantly increase costs to employers and employees and reduces the ability of employers and employees to choose the level of benefits they elect to pay for.

Medicaid Reform

TAB supports greater state flexibility in Medicaid, including state options to receive funding as an allotment that grants states greater control to allow for better use of limited dollars while also ensuring equitable funding. TAB supports allowing states to use Medicaid dollars for broader entitlement reform.

Medicare Reform

Support cost-containment in Medicare. TAB supports changing specific components of the Medicare System by fixing structural problems that will allow the program to continue. TAB believes that making gradual structural improvements to Medicare will help to ensure that current enrollees continue to have access to health care while also ensuring that the program will continue for future generations. Specifically:

- Support continuation of Medicare Advantage and other private, free-market Medicare solutions that emphasize preventive care and wellness program;
- Expand the use of telemedicine in Medicare to include primary care. TAB believes that work should be done to remove outdated regulatory restrictions in Medicare, which prevents seniors and disabled Americans from enjoying the same type of access as those in the private sector.
- Support site-neutral payment policies for all covered services.

Out-of-Network Costs and Balance Billing

Address out-of-network charges and the barriers to affordability, including the excessive prices charged for medical services. Specifically:

- Provide consumers with clear, easy-to-access information on in-network providers and cost estimates through provider network directories and cost calculators;
- Promote greater transparency from providers and specialists regarding their network status, including disclosure from out-of-network providers regarding their fees and costs;
- Strengthen financial protection for consumers by imposing limits on balance billing from out-of-network providers; and
- Support amending the Airline Deregulation Act to exclude air ambulance from federal preemption of state regulation.

Patient Protection and Affordable Care Act (PPACA)

The PPACA contains many provisions that are harmful to employers and employees. TAB supports reforms through legislation and rulemaking that provide relief, including:

- Repealing taxes that increase premiums and cost jobs including the health insurance tax, the medical device tax, and the Cadillac tax;
- Giving states more flexibility to define “essential services”;
- Making catastrophic coverage policies available to all age groups; and
- Improving flexibility for tax-preferred accounts that encourage careful health care spending like FSAs, HSAs, and HRAs;
- Repealing the Employer Shared Responsibility Provision,
- Streamline employer reporting requirements;
- Mitigate the administrative burden of Non-discrimination Compliance;
- Stabilize the individual insurance market; and
- Allow children to continue coverage until age 26.

Patient Safety

Ensure patient safety and control costs by reducing the number of medical errors. Promote affordable, quality and safe health care.

Pay-for-Performance and Delivery System Reform

Our health care system should reward providers for the health outcomes achieved. TAB supports the transition from fee-for-service to value-based care which demonstrates that when patients are actively cared for under a robust primary care provider network, quality care can lower costs and ultimately lower spending.

Physician Shortage Act

Support legislation to address the shortage of physician residencies in the United States. Reallocate federal dollars for physician residencies based upon state populations instead of the historical location of residency slots.

Prescription Drug Coverage

Support the standards already set in place for electronic prescriptions. TAB opposes plans that give too much power to government bureaucrats. Businesses should promote plans that include private-sector benefit plans for prescription drug coverage and oppose plans that jeopardize the financial health of Medicare or try to increase payroll taxes.

Safe Medicines

Support legislation that seeks to end the use of counterfeit drugs, which are a serious patient safety problem and a cost driver to employers.

Self-Referral

Remove all safe harbors for self-referrals to in-office ancillary services and physician-owned hospitals. TAB supports additional regulation to yield a high return on the cost of regulation measured in improved quality of patient care.

Single-Payer Health Care System

A single-payer healthcare system is comprised of a single public agency taking responsibility for financing health care for all residents, rather than a free market of multiple competing companies. TAB opposes the adoption of a single-payer, government-run health care system.

Specialty Prescription Trend

Study the impact of specialty medicines on health care costs over time. Examine solutions to lower overall health care costs that balance the value of medical innovation with the necessity to manage costs.

Stop-Loss Insurance

Support legislation that would preclude harmful regulatory action that could limit access to stop-loss coverage, ensuring that groups seeking to self-insure are able to access the necessary tools to do so.

Transparency

Support legislation ensuring access to health care cost transparency for consumers. Support the provision of plain language usage and disclosure of basic health information, including prices and quality of care to individuals, whenever possible to expand their capacity to make appropriate health decisions on an on-going basis. Also, support finding ways to make private health care coverage more affordable and to provide fair and adequate reimbursements for care because the absence of real prices creates perverse incentives on both sides of the market and needs to be fixed.

Wellness Programs

Wellness programs in the workplace play a critical role in improving the nation's health and productivity and should not be restricted by regulations that make the administration of the programs more challenging and burdensome. TAB supports providing increased flexibility to employers to design and implement their wellness programs with the goals of maintaining a healthy workforce, lowering health care costs and supporting coordination for those with a history of substance use disorders. Also, current regulations should be reworked, as they are inconsistent between agencies and create differing standards for compliance.

IMMIGRATION

Deferred Action for Childhood Arrivals (DACA)

Support the efforts in Congress to extend this important program that has made it possible for over 800,000 individuals who live in the United States to pursue opportunities that might otherwise be closed to them. Texas has the second-largest population of DACA recipients in the United States.

EB-5 Program

Support the growth of the EB-5 Program to further stimulate the U.S. economy through job creation and capital investment by foreign investors. This important program allows for visas for participants who make the necessary investment in commercial enterprises in the U.S. and plan to create or preserve at least 10 permanent full-time jobs for qualified U.S. workers.

Highly Skilled Technical Workers

Global access to highly skilled technical workers is critical to the U.S. economy. While efforts to better prepare and encourage American students into math, science, and engineering-related degrees are underway, American employers need to be able to hire highly educated professionals with special skills in order to compete effectively.

In particular, employers should have access to the foreign nationals earning advanced degrees at universities in the U.S. who, in some fields, now earn the majority of degrees. TAB supports cap increases in employment-based visa programs and advocates for continued access to H-1B visas and support for legislation to exempt foreign nationals who have received masters or Ph.D. degrees from universities in the U.S. from the H-1B cap. TAB also advocates for accelerated green cards for highly skilled employees and their families.

Immigration Reform

Support comprehensive immigration reforms that include the following criteria important to the Texas business community:

- Build an immigration system that allows enough legal immigration to meet employer needs.
- Create the ability for undocumented workers residing in the U.S. to obtain legal status.
- Create a reliable system for employers to quickly verify the legal status of job applicants without burdening employers with higher compliance costs or liability or shifting enforcement obligations from the government to employers.
- Update asylum laws consistent with the economic and trade considerations under such reform.
- TAB supports appropriations for additional immigration judges and related resources for immigration courts to expedite asylum requests in an equitable and humane manner.

NATIONAL SECURITY

Base Realignment and Closure

Oppose any additional efforts to downsize military facilities in Texas to ensure we maintain and improve our national security.

Homeland Security

Support attempts to receive more federal dollars to offset the increasing needs for homeland security for all Texas ports and related waterways and for the border with Mexico.

- Fully staff and fund Texas ports of entry to enhance security and facilitate additional trade.
- Support efforts to clean the Rio Grande River through the removal of non-native plant species, such as Carrizo Cane.
- Encourage Congressional oversight of administrative actions that harm the ability of employers to hire or continue employing legal immigrant workers.

National Defense

Support investment in a strong national defense and the Texas jobs that build products for our men and women in the nation's armed forces.

Secure Border Initiative Network (SBInet)

Support funding for the SBInet program within the Department of Homeland Security to help secure the border between Texas and Mexico by transforming border control through technology and infrastructure.

TAXES & SPENDING

Alternative Minimum Tax

Support long-term solutions to the problems created by the individual and corporate alternative minimum tax.

Capital Gains and Dividends

Oppose any rollback of reduced tax rates on capital gains or dividend income. Support reforms to lower capital gains and dividend income tax rates and make provisions permanent.

Capital Investment

Support efforts to ensure a faster cost recovery of capital investment.

Corporate Income Taxes

Support efforts to reduce corporate income taxes to increase business investment and profitability.

Employment Tax Credits

Support permanent authorization of the Work Opportunity and Welfare-to-Work tax credits in order to provide continuity and more certainty to these programs to increase employment of disadvantaged workers and improve local economies.

Entitlement Reform

Reform Social Security, Medicare, and Medicaid to limit annual spending to a sustainable percentage of gross domestic product that does not squeeze out necessary federal spending on defense, infrastructure, and other general government expenses and does not increase the national debt.

Federal Fiscal Policy

Support efforts to prohibit deficit spending and limit spending increases to some rational index, such as growth in personal income.

Federal Funding

Support state policies and programs that maximize the receipt and use of federal matching and other funds for state purposes. Support federal efforts that return a fair and equitable share of federal funds to states based on their contributions. Oppose federal efforts to establish and enforce conditions, including changes in state law, for the receipt of any state's fair allocation of federal funds.

Federal Unemployment Tax

Support efforts to end what was intended to be a temporary federal unemployment tax surtax, repeal accelerated payment of federal unemployment tax, and undertake a comprehensive review of the unemployment tax program to determine its effectiveness, fairness, and value.

Global Competition

Support tax code reforms and trade provisions that will improve the ability of U.S. companies to compete fairly in global markets. Support federal tax rates that will be more consistent with those in other countries, remove disincentives for domestic reinvestment of foreign income.

Government Contract Withholding

Support the repeal of Section 511 of the Tax Reconciliation Act that mandates that federal, state, and local governments withhold three percent from payments for goods and services. This unprecedented withholding mandate will affect all government contracts as well as other payments, such as Medicare and certain grants, is totally unrelated to any actual tax liability of a business providing goods or services and will add significant costs to both businesses and all levels of government.

Privatization

Encourage privatization of government functions where it can be shown that private, for-profit entities competing for opportunities can perform more efficiently and reduce overall government costs.

Research and Development

Support efforts to increase federal support of research and development to ensure that the U.S. remains a world leader in technical innovation and Texas receives an appropriate share of support commensurate with our standing as an economic leader and exporter of technology.

Tax and Regulatory Policy

TAB will advocate for expansive pro-growth tax reform based on the following criteria:

- A lower business tax rate-corporate tax rate of 20 percent or lower and permanent lower rates for small businesses;
- Capital cost recovery-capital investments should either be expensed or recovered;
- Strong research and development (R&D) incentives;
- A modern and competitive international tax system.

Tax-deferred Savings

Support efforts to expand and enhance opportunities for tax-deferred savings instruments.

TORT REFORM

Alternative Dispute Resolution (ADR)

Oppose attempts to abrogate business contracts or threats to the availability of ADR mechanisms, such as arbitration. Oppose attempts to impose binding arbitration on labor disputes between employers and employees.

Asbestos

Support eliminating fraud that permeates asbestos litigation through legislation that would require asbestos personal injury settlement trusts authorized by federal bankruptcy law to disclose information on their claims on a quarterly basis and respond to information requests from parties to asbestos litigation. Support legislation designed to stop litigation abuses.

Class Action Lawsuits

Support reform of class action rules. Prevent the spread of class actions and other problematical U.S.-style litigation techniques around the world.

Federal Preemption

Support the use of federal regulatory authority to preempt state common law claims for damages that are inconsistent with legal reform. Preemption allows companies doing business in other states to operate under one set of rules rather than having to accommodate varying and perhaps even conflicting rules in each state. Frivolous Lawsuits. Discourage frivolous lawsuits.

Joint and Several Liability

Limit the application of joint and several liability.

Limits on Damage Awards

Encourage the appointment of judges who will support rational limits on damage awards in all cases, including employment-related litigation, and support legislation to strengthen and extend state and federal Supreme Court rulings regarding the reasonableness of punitive damage awards in all types of cases.

Mold Claims

Support reasonable Congressional solutions to address mold claims and the effect on the availability and affordability of insurance.

Punitive and Non-Economic Damages

Reform rules pertaining to punitive and non-economic damages as well as contingency fees.

TRADE & INVESTMENT

Bilateral Investment and Tax Treaties

Support new investment and tax treaties to protect investor rights and avoid double taxation in key foreign markets.

Border Environmental Quality

Continue support for cooperation and monitoring of environmental standards along the Texas/Mexico border to achieve a proper balance that is equitable for Texas employers and border communities.

Brand USA's Reauthorization

Support congressional funding of Brand USA to drive positive economic impact through travel for all communities across Texas.

Cross-Border Transportation

Support improved highways, ports of entry and other infrastructures that facilitate trade, tourism, and other legitimate cross-border traffic between Texas and Mexico.

Also, support development and funding of “international trade corridors” throughout Texas to accommodate current and future transportation demands resulting from North American trade expansion.

Export Controls

Oppose regulations that limit U.S. exports of widely available technology products, shutting U.S. companies out of key foreign markets and increasing red tape without achieving any real national security objectives.

Global Sourcing

Oppose barriers to international business erected at the federal or state level that curtails global sourcing.

North American Development Bank

Support efforts to increase capital access and resources for the North American Development Bank to continue investing in environmental infrastructure, international land border crossings and allow additional investment in natural gas projects along the U.S.-Mexico border.

Promote Free Markets Globally

Lay the foundation for market-oriented reform and private enterprise in emerging markets by building institutions that support open societies and a culture of entrepreneurship.

Trade Agreements

Support the development of comprehensive, fair and accountable trade agreements with key partners and eliminate tariffs on important components of our economy's supply chain that are, in effect, taxes on our citizens. Press foreign regulators to ensure a level playing field for U.S. companies and free competition in their domestic markets through judicious use of competition policy, intellectual property law, technical standards, government procurement rules, and investment requirements.

Trans-Pacific Partnership (TPP)

TAB supports renewed U.S. involvement in the TPP leading to full participation in the agreement.

United States-Mexico-Canada Agreement (USMCA)

Secure Congressional approval of the United States-Mexico-Canada Agreement (USMCA). Mexico is Texas' number one trading partner and a total of \$187 billion worth of trade between Texas and Mexico occurs each year. Over 382,000 Texas jobs depend on trade with Mexico.

Unilateral Sanctions

Overturn unilateral sanctions on foreign markets that shut U.S. workers, farmers, and companies out of foreign markets without achieving their stated objectives.

U.S. Export-Import Bank (Ex-Im)

Support Ex-Im as a tool to compete globally with other countries for exporting. Without export credit, the United States would adversely affect approximately 17,000 small and large suppliers across the nation.

Visa Waiver Program (VCWP)

Support congressional efforts to rename the Visa Waiver Program to the Secure Travel Partnership which better reflects the program's dual purpose as both a security program and a means of travel facilitation. Additionally, support Congressional efforts for the expansion of the VWP to include additional qualified countries that echo American's dedication to secure traveling and advanced information sharing.

World Trade Organization (WTO)

Build support among government and business leaders to open international markets for agricultural products, manufactured goods, and services through the WTO's Doha Development Agenda as well as Russia's accession to the WTO. TAB supports US efforts to modernize the WTO to improve the protection of US businesses from unfair trade practices of authoritarian states. The WTO should end the classification of China as a developing economy and any special treatment that classification confers.

TRANSPORTATION

Federal Funding Formulas for Waterways

- Support changes to federal funding formulas and procedures for waterway projects to ensure that cost-to-benefit ratios consider secondary benefits on a regional and national scale and prioritization of projects includes input from other federal agencies including the Department of Transportation, Department of Commerce, and the Department of Energy.
- Support changes to the criteria for allocation of local match dollars to waterway improvement projects that reasonably reflect the financial capacity of local sponsors and the anticipated economic, defense, homeland security, and energy security benefits of the project both within and beyond local jurisdictions.
- Support authorization for Texas waterway and channel projects for which the study and review process have been completed and are now pending before Congress.

Harbor Maintenance Trust Fund

Support the Harbor Maintenance Trust Fund and legislation that will ensure the fund is used for the intended purpose of maintenance of Texas' federal waterways and channels and not diverted to other uses in the federal budget.

Highway Trust Fund

Revise the Federal Highway Account tax payment ratio to ensure Texas is treated equitably under formula funding through the Highway Trust Fund. Texas is the only donor state to this fund.

Transportation Programs

- Support mechanisms that return the maximum amount of revenues to the states both equitably and with the greatest degree of flexibility in state and local control over transportation priorities, planning, and implementation. Recognizing that the purchasing power of the federal fuel tax has declined, TAB supports maintaining federal transportation funding with new revenues as required, but only if disparities in the allocation of revenues to the states are ended.
- Support federal transportation programs and initiatives that adequately address highways, rail, high-speed rail, passenger and cargo air, and marine commerce and provide states the ability to pursue multi-modal solutions to transportation needs based on each state's priority needs.
- Support federal infrastructure initiatives encouraging regulatory reform with the goal of driving certainty and efficiency into the regulatory process.

Transportation Reauthorization

- Support reauthorization of federal transportation programs that are focused on maintaining or even improving the authority of state and local transportation entities in prioritizing essential road construction and related infrastructure critical to economic opportunity and streamlining the process of project planning and approval.

- Support a comprehensive, multi-year reauthorization of federal transportation programs that will maintain federal highway funding levels without inequitably increasing tax burdens on businesses and create greater certainty for state and local planners, development companies, and businesses investing in capital projects.
- Support an increase in federal transportation funding. Specifically:
 - Support an increase in the federal motor fuel tax as an alternative to deficit financing in order to ensure the maintenance of current spending levels;
 - Support new revenues sources levied against alternative fueled vehicles, including electric vehicles, to ensure that all users of roadways and transportation infrastructure are fairly and equitably supporting transportation programs; and
 - Condition any revenue increases on the dedication of new revenues to road projects and ending any disparities in the allocation of federal transportation funds to the states.
- Support the creation of an infrastructure bank to provide funds on a revolving loan basis to transportation projects and tax incentives to project sponsors to encourage the use of loan funds.
- Support increased flexibility in local and state options for transportation project prioritization and implementation and reduced federal mandates such as requirements for investment in bicycle lanes, alternative fuel infrastructure, and parks and recreational facilities.
- Oppose efforts to expand the role of federal agencies such as the Federal Highway Administration (FHWA) or Environmental Protection Agency (EPA) in local projects, and oppose the expansion of federal agencies' jurisdiction by redefining the federal highway system to include existing roads or redefining navigable waters under the Clean Water Act, including the Waters of the U.S. rule.
- Support an increase in the national Transportation Infrastructure Finance and Innovation Act (TIFIA) loan allocation in order to encourage and expedite private sector involvement in improving our highway systems by authorizing the use of such funds on a broader range of road projects, including those that may currently be ineligible because they are not "on system" roads.
- Oppose federal funding allocations that result in Texas subsidizing public transportation or mass transit projects in other states.
- Support efforts to expand the use of public-private partnerships in transportation planning and funding and oppose measures that would penalize states for leveraging private investment in transportation projects.
- Support continued improvement and streamlining of federal programs for oversight and environmental review of transportation projects commensurate with a documented need for the review, degree of federal financial support, and the need to create incentives for new technology and new modes of transportation.
- Oppose efforts to reduce the viability and role of small metropolitan planning organizations (MPOs) in the support and design of local projects.
- Support efforts to ensure that Texas is among those states that are eligible to regulate weight limits on highways that are part of the interstate highway system or that are added to the interstate highway system.

U.S. Army Corp. of Engineer Studies

Support funding for the U.S. Army Corps of Engineers studies of waterway improvements that are needed to keep pace with global demands for shipping and prepare Texas waterways, ports, and terminals for the impact of the ongoing improvements to the Panama Canal and the anticipated increase in size and number of vessels entering Texas waters. Also, support funding for restoration of the Gulf Intercoastal Waterway in Texas to its design depth of 12 feet to support increased, cost-effective barge traffic.

WATER

Clean Water Act Jurisdiction

Oppose efforts to alter or amend the definition of wetlands and navigable waters subject to federal regulatory authority that would extend federal jurisdiction to those waterways that do not demonstrate a functional or practical connection to navigable waters. Continue to support those efforts to oppose or revoke the Waters of the U.S. rule (WOTUS) that seeks to significantly expand the Environmental Protection Agency (EPA)/U.S. Army Core of Engineers jurisdiction beyond the traditional navigable waters covered by the Clean Water Act.

Climate Smart Action and Resilience

Promote and support technology innovation and other solutions to mitigate and adapt to climate change through collaboration and sharing of best practices and promoting exports of water technologies, products, and services. Support U.S. businesses as they take action to reduce climate impacts as long as public health, safety and economic opportunity are not impacted.

Endangered Species Act Impact on Water Resources

- Support efforts that ensure that the critical development and productive use of state water resources and flood control infrastructure needed by a growing population and economy not be minimized when federal agencies act to protect endangered species.
- Oppose proposals to list endangered species that will unreasonably control water supplies critical to maintaining public health and safety and economic opportunity.
- Support comprehensive reform of the Endangered Species Act to create balance in the Act between species protection and economic impact.

Environmental Review of Water Supply and Flood Control Projects

Support efforts to ensure that Texas is able to meet future water needs through water infrastructure modernization, climate- resilient infrastructure, including water and watershed management, development and implementation of necessary innovative and sustainable water supply sources, such as new reservoirs, desalination, and aquifer storage projects. Support changes to streamline and improve the permitting and environmental review process for new water supply, flood control projects, and drought response to ensure that needed water supplies are available in a time frame to meet the critical needs of Texas' population and economy.

Overriding State Water Law

Support efforts that recognize that the specific provisions of state water law that have guided and controlled each state's allocation of water resources and economic and other water uses must be respected by the federal government. Oppose efforts by federal agencies or Congress to affect local or regional water supply solutions by superseding state water law.

Water for Electric Generation

Oppose federal regulations and actions that potentially limit the amount of water available for electric generation and manufacturing processes. Support efforts that will ensure that federal actions will not preclude the use of state water resources due to more stringent environmental regulatory controls (e.g., rules for cooling water intake structures) or negatively affect the operations of electric generators and oil and gas operators through regulation of groundwater or surface water sources.

Water Quality Standards

Oppose any efforts to promulgate or enforce surface water quality or drinking water standards that are not adequately based on clear and compelling scientific evidence and for which compliance options or compliance costs are unreasonable or unavailable.