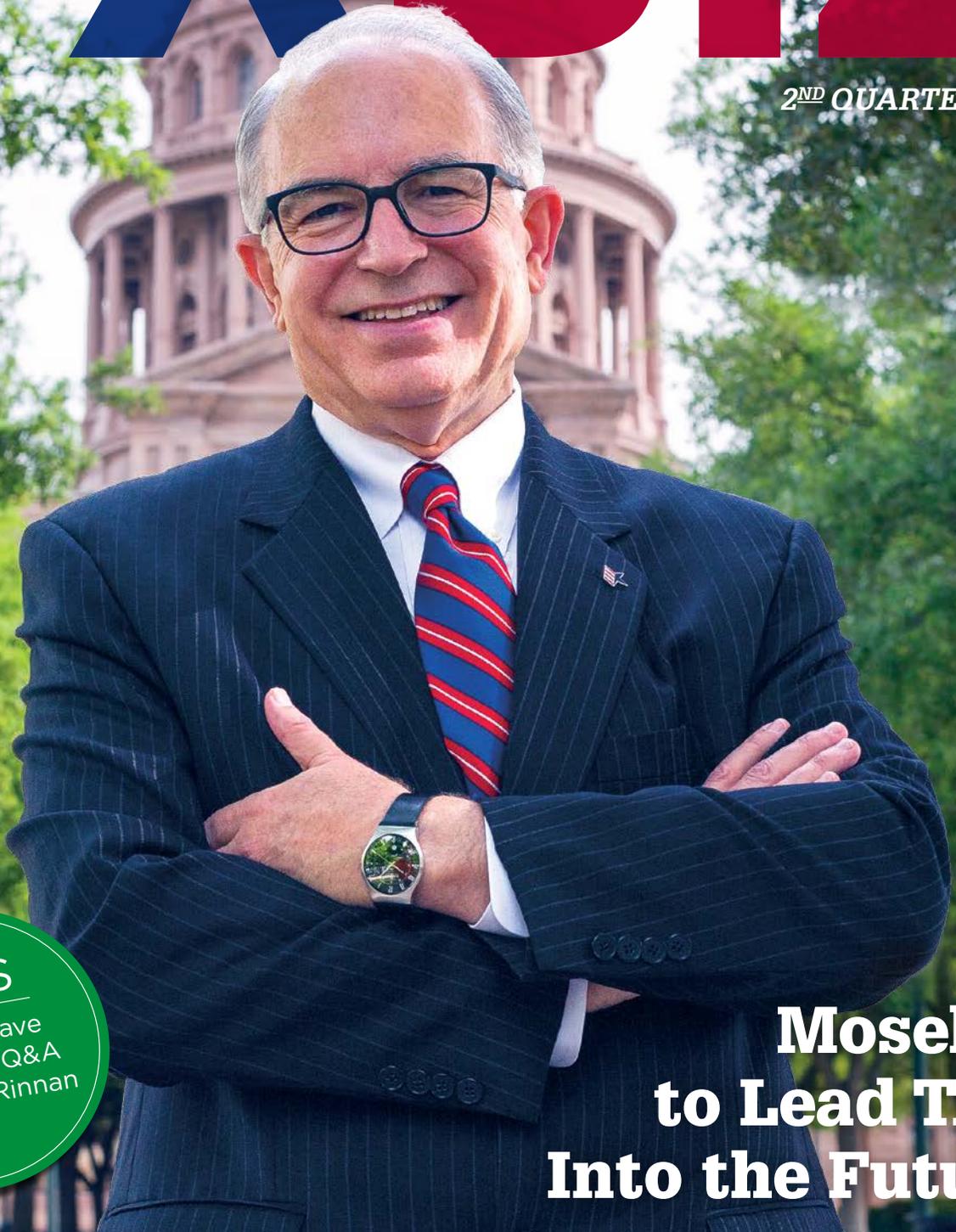


# TXBIZ

2<sup>ND</sup> QUARTER 2017



## Moseley to Lead TAB Into the Future

PLUS

FMLA Leave  
Requests Q&A  
with Paul Rinnan

A PUBLICATION OF THE TEXAS ASSOCIATION OF BUSINESS  THE TEXAS STATE CHAMBER

ADVOCACY

**Business/Government  
Partnership Endangered**

SESSION REPORT

**Overview + Staff Picks  
of Business Bills**

SPECIAL SECTION

**Best Companies to  
Work for in Texas**



### Did You Know?

The current Capitol building, constructed between 1882 and 1888, is the **fourth one** in Austin. On February 1, 1882, building commissioners Nimrod Norton and Joseph Lee turned the first shovelful of dirt for the present Texas Capitol. Construction was financed by the sale of three million acres of public land in the Panhandle, under the auspices of the XIT Ranch. The main building material is red granite from Marble Mountain, west of Austin. The Renaissance Revival structure, for which the Capitol in Washington was the model, was dedicated in 1888. The total cost was \$3.75 million.

*Texas State Historical Association, Handbook of Texas Online, William Elton Green, "Capitol," accessed May 04, 2017*



# Contents

2<sup>ND</sup> QUARTER 2017



6

## 6 FEATURE

### Moseley to Lead TAB Into the Future

New CEO brings a wealth of experience

## 10 WORKFORCE

### Q&A

Leave Requests

## 12 MEMBER PROFILE

### Blacklight Research, LLC

Colin Fenton brings world-class thought leadership to businesses of any size at an affordable price



12

## 17 SPECIAL SECTION

### Best Companies to Work for in Texas

## 21 SESSION REPORT

### Overview + Staff Picks of Business Bills



## 26 PROGRAMS & EVENTS

Join your fellow members at TAB events



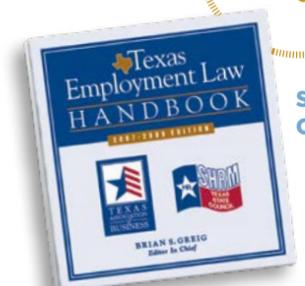
17

## 27 ADVOCACY

### Business and Government Partnerships Endangered

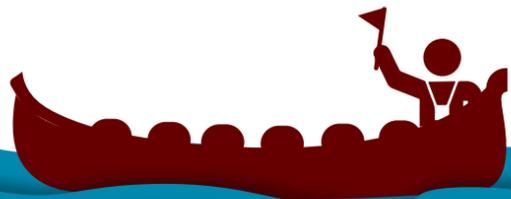
## 5 STATE MATTERS

TAB update from President Chris Wallace



see back cover...

2017  
TEXAS EMPLOYMENT  
RELATIONS SYMPOSIUM



Save the Date

JULY 13-14

MARRIOTT SAN ANTONIO  
RIVERCENTER

101 Bowie St.  
San Antonio, TX 78205

Registration, Sponsorships  
& Event Details at [txbiz.org](http://txbiz.org)

Additional Questions contact Paula Romano  
at [promano@txbiz.org](mailto:promano@txbiz.org) or (512) 637-7706



TXBIZ



THE TEXAS STATE CHAMBER

**TAB STATEWIDE OFFICERS**

Chair, Gary F. Gibson  
*Star Furniture Company*

Chair-Elect, A.J. Rodriguez  
*Zachry Group*

Treasurer, Bob Cartwright  
*Intelligent Compensation, LLC*

Secretary, Dennis Knautz  
*Acme Brick*

Immediate Past Chair, Sara Tays  
*TenPoints Consulting*

**TAB TEAM CONTACTS**

Aaron Cox, Vice President  
*Chamber Relations/Member  
Engagement*  
[acox@txbiz.org](mailto:acox@txbiz.org)

Kirby Hiscox, Vice President  
*Corporate Development*  
[khiscox@txbiz.org](mailto:khiscox@txbiz.org)

Cathy DeWitt, Vice President  
*Criminal Justice, Employment  
Relations & Workers' Compensation*  
[cdewitt@txbiz.org](mailto:cdewitt@txbiz.org)

Stephen Minick, Vice President  
*Energy, Environmental Quality  
& Water Resources*  
[sminick@txbiz.org](mailto:sminick@txbiz.org)

Amanda Martin, Governmental  
Affairs Manager  
*Health Care, Insurance & Tort Reform*  
[amartin@txbiz.org](mailto:amartin@txbiz.org)

**TAB REGIONAL OFFICES**

**Central Texas Area**  
Belinda Matingou, Regional  
Executive Director  
[bmatingou@txbiz.org](mailto:bmatingou@txbiz.org)  
(512) 270-9358

**Gulf Coast Area**  
Chelsie Kramer, Regional  
Executive Director  
[ckramer@txbiz.org](mailto:ckramer@txbiz.org)  
(713) 591-9751

Derek Rogers, Regional Manager  
[drogers@txbiz.org](mailto:drogers@txbiz.org)  
(832) 349-0524

2<sup>ND</sup> QUARTER 2017

VOLUME 32 | ISSUE 3

Join Us Online!  
**TXBIZ.org**

Regional Chair Rep., Gary Cook  
*Professional Answering Service*

TCCE Chair-Elect, Kelly Hall  
*Longview Chamber of Commerce*

CEO, Jeff Moseley

President, Chris E. Wallace

Corporate Secretary, Melissa Collins

General Counsel, Jay Rutherford  
*Jackson Walker, LLP*

Miranda Goodsheller,  
Governmental Affairs Manager  
*Education & Transportation*  
[mgoodsheller@txbiz.org](mailto:mgoodsheller@txbiz.org)

Robert Wood,  
Communications Director  
[rwood@txbiz.org](mailto:rwood@txbiz.org)

Paula Romano, Director  
of Member Engagement  
[promano@txbiz.org](mailto:promano@txbiz.org)

Sharon Berger, Member  
Services Manager  
[sberger@txbiz.org](mailto:sberger@txbiz.org)

**North Texas Area**  
Mark Sadowski  
[msadowski@txbiz.org](mailto:msadowski@txbiz.org)  
(214) 906-3361

**South Texas Area**  
Miles Resnick  
[mresnick@txbiz.org](mailto:mresnick@txbiz.org)  
(409) 363-1481

*Texas Business Report (ISSN0892-6816) is published quarterly by Texas Association of Business, located at: 1209 Nueces Street, Austin, TX 78701. Subscriptions are available at a rate of \$2.00, which is deducted from TAB members' annual dues. Articles may be reprinted with permission. Legislative advertising paid by TAB.*

Periodicals Postage Paid at Austin, Texas. POSTMASTER

Send address changes to:  
Texas Business Report, 1209 Nueces Street, Austin, TX 78701



*"The person who agrees with you 80 percent of the time is a friend and an ally – not a 20 percent traitor."*

– PRESIDENT RONALD REAGAN

**Dear TAB Member,**

The Texas Association of Business is an organization known by everyone at the State Capitol and by every person in a position of leadership in this state. What we are known for, however, is changing in the minds of some.

Most would agree that without a strong economy and a strong business community, the future of Texas becomes far less bright.

Politically, it is an interesting time in Texas. It appears we are now witnessing a fight between conservatives. What some call social conservatives and business conservatives – the lines are not cleanly drawn. No doubt, someone can be socially conservative and still want what is best for the economy.

Here is what I believe, and I bet this is pretty close to what you believe. Texans must treat everyone with respect, and we must do no harm to our economy. Your TAB will continue to fight for our economy and the right of employers to keep expanding jobs. At the same time, we will continue to fight for all people to be treated with respect and have a chance to reach their full potential in life. That is not only the moral thing to do but also the right thing to do.

Texas is rapidly changing. Twenty years ago 19.74 million people called Texas home whereas now we are closer to 28.4 million.

To deal with our rapidly changing populations and demands, our state government needs to be forward thinking so our laws pave the way, not deter innovation. While the state is tackling issues such as transportation networks and telemedicine this session, there is much more we should be doing. As the State Chamber of Commerce, we will fight to make sure that our state is welcoming to emerging technologies and keeps pace with our vibrant, ever-changing economy.

Just as our government needs to be forward thinking so does TAB. I've started touring the state and meeting TAB members. I look forward to meeting you soon if I have not already done so. I also look forward to sharing with you in the coming months our exciting strategy of fighting for jobs and keeping Texas business friendly.

Onward,

Jeff Moseley

CEO, TEXAS ASSOCIATION OF BUSINESS

# Moseley to Lead TAB Into the Future

Featured Article

## NEW CEO BRINGS A WEALTH OF EXPERIENCE

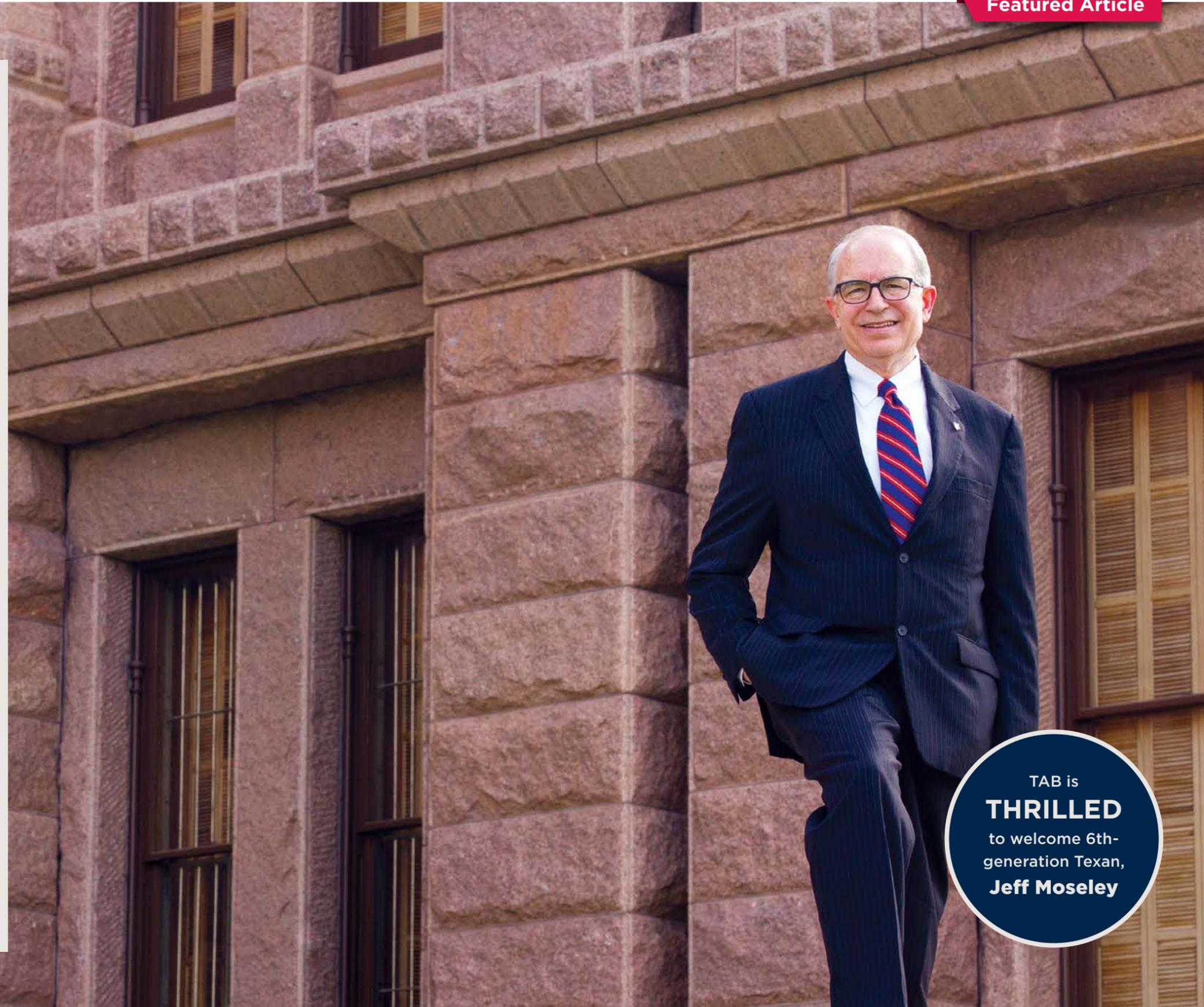
BY CATHY DEWITT AND ROBERT WOOD

**J**eff Moseley is the new CEO of the Texas Association of Business. He is just ending his first month on the job, and it has been a whirlwind, including a statewide tour and a move from Houston to his new home in Austin. Moseley brings experience from both the chamber of commerce world and state government world to the position as well as experience in private business.

“TAB is thrilled to welcome Jeff,” said Gary Gibson, TAB Chairman and CFO of Star Furniture Company. “His wide-ranging work in the private and public sectors, combined with his extensive network of Texas business leaders and legislators, will be a great benefit to the businesses and chambers of commerce.”

Moseley’s resume includes successful stints as the state’s head of economic development under Governors George W. Bush and Rick Perry and as the CEO of the Greater Houston Partnership, one of the largest chambers of commerce in Texas.

Moseley was most recently with Texas Central Partners, where he has served as State Vice President of Government Affairs. Texas Central Partners is a private company developing a new high-speed rail system between Dallas and Houston.



TAB is  
**THRILLED**  
to welcome 6th-  
generation Texan,  
**Jeff Moseley**

*“I’m very pleased to have this opportunity to lead TAB in building a stronger state economy by moving forward its mission and fighting for more and better jobs for all Texans.”*

“He combines the perfect blend of advocacy skills and appreciation of the work of our chamber members. I could not be happier with our selection,” said Gibson.

“I’m very pleased to have this opportunity to lead TAB in building a stronger state economy by moving forward its mission and fighting for more and better jobs for all Texans,” said Moseley.

Other roles in Moseley’s past include Vice Chairman of the Texas Department of Transportation Commission and Denton County Judge.

“I believe the one thing that really caused Jeff to stand out from the other candidates was his unique balance of advocacy skills and understanding of chamber operations,” said Brett Graham, TAB board member and member of the search committee. “In my opinion, these are the two most essential components to TAB. I am hopeful that Jeff holds the key to maintaining the excellent reputation TAB has on advocacy, while fully engaging the grassroots aspect of TAB that exists through our chambers, which has historically been a mostly untapped resource.”

Moseley is a 6th-generation Texan and has been married to Jackie Barret of Comanche for 35 years. They have two daughters, Joi, currently a student at SMU, and Jenni, currently a student at the University of Texas at Austin. He is a graduate and Outstanding Alumnus of Southern Nazarene University. ✪

## We put workers’ comp on Easy Street to keep your business on the road to success.



Why does Texas Mutual work so hard to make workers’ comp easy? Because we know you’ve got work to do. That’s why we streamline claims management and access to safety materials through our website, work directly with medical professionals, handle your calls quickly and check up on injured workers. Plus, our dividend program rewards you for keeping your people safe—because the easiest workers’ comp claim is the one that never happens.

Isn’t it time you took the work out of workers’ comp? Ask your agent about Texas Mutual or go to [worksafetexas.com/easy](http://worksafetexas.com/easy).

**TexasMutual**  
WORKERS’ COMPENSATION INSURANCE  
A Policyholder-Owned Company  
**WORK SAFE, TEXAS®**

While dividends can’t be guaranteed, Texas Mutual Insurance Company has returned \$1.8 billion to safety-conscious policyholder owners since 1999.  
©2016 Texas Mutual Insurance Company



PAUL RINNAN

## WORKFORCE

# Q+A

**Q My employee used up her FMLA leave and states she still cannot return to work. How long do I need to hold open her position?**

**A** Courts across the country agree that leave can be a reasonable accommodation under the Americans with Disabilities Act (ADA), and employers may have to provide additional leave to employees in some circumstances when other types of state and federal leave rights run out. While there is no specific limit on how much additional leave may be required under the ADA, courts distinguish between determinate and indeterminate leave when assessing the reasonableness of the request.

In one recent case, *Moss v. Harris County Constable Precinct One* (March 15, 2017), the Fifth Circuit examined the wrongful termination claim of a deputy from Harris County, Texas, and determined that several additional months of leave to accommodate his back surgery was not required under the ADA. The evidence

in the case showed the deputy took leave on Nov. 7, 2012. The deputy exhausted his FMLA-protected leave, and his doctor instructed the Constable's office he would be unable to return to work until July 2013 — one month after the deputy had previously requested to retire. The Fifth Circuit noted, "Although taking leave that is limited in duration may be a reasonable accommodation to enable an employee to perform the essential functions of the job upon return, taking leave without a specified date to return or, in this case, with the intent of never returning is not a reasonable accommodation." Ultimately, the employee failed to show that leave would allow him to perform the essential functions of his job in the immediate future.

Last year on May 9, 2016, the Equal Employment Opportunity Commission also weighed in on leave accommodation



**THANKS FOR JOINING US AT THE BEST COMPANIES TO WORK FOR IN TEXAS EVENT!**

Let's keep the party going with special electricity rates for Texas homes and businesses. You have a choice of energy supplier and we're dedicated to being the one you can trust for years to come.



Discover great energy rates at [directenergy.com/TAB](http://directenergy.com/TAB).

requests and issued a resource document to assist employers. Before granting leave, employers should seek additional information from the employee's medical provider to enable the employer to understand the need for leave, the amount and type of leave required and whether leave and other accommodations

might enable the employee to perform their job or cause the company to suffer undue hardship. Requests for indefinite leave where employees cannot say whether or when they will be able to return to work will generally constitute an undue hardship. 🚩

Don't forget to call TAB's Employment Relations Hotline for your next HR Question at (844) 507-9391 or email [TABemplaw@jacksonlewis.com](mailto:TABemplaw@jacksonlewis.com).

## BLACKLIGHT RESEARCH, LLC

**K**nowledge is an essential tool for business success. With access to exceptional strategic research, smart firms can batten down against tidal waves in markets before less well-rigged firms even see the ripples in the water.

Guess which boats capsize.

Colin Fenton is intimately familiar with how to draw and navigate knowledge value chains. For five years (2010-15), he was a managing director at J.P. Morgan Chase & Co. There, he served as Chief Commodities Strategist and Global Head of Commodities Research, advising the senior leaders of the world's most powerful firms and governments. In this capacity, he supervised development of J.P. Morgan Chase's oil and gas views and their distribution to clients worldwide.

Earlier in his career, Fenton spent seven years as a partner in some of the world's most competitive hedge funds. He's worked at Stan Druckenmiller's Duquesne Capital Management, LLC and Dwight Anderson's Ospraie Management, LLC. The challenge and joy of making and sharing timely discoveries has always appealed to his sense of curiosity and civic cooperation. This passion suits his clients. Fenton's research has been commended for its originality, commerciality and commitment to impartial, fact-based logic.

---

The challenge and joy of making and sharing timely discoveries has always appealed to his

### SENSE OF CURIOSITY AND CIVIC COOPERATION

---



**COLIN FENTON**  
*TAB Member*

*“We gave this name to our company because blacklight is a forensic tool that finds clues that are in the public space but hidden from ordinary sight. We do the digging that our clients don’t have the time or tools to do.”*

In 2015, Fenton noticed a business opportunity. New developments in technology and regulatory overreach offered, for the first time, the chance to bring world-class thought leadership to businesses of any size at an affordable price. Fenton launched a research company, Blacklight Research, LLC, to develop this service. The new firm wasted no time in upending the status quo. In an industry accustomed to demanding fees in the hundreds of thousands—if not millions—of dollars, access to all Blacklight research content is available through a web portal at just \$88 per month.

Why ‘Blacklight’?

Fenton explains: “We gave this name to our company because blacklight is a forensic tool that finds clues that are in the public space but hidden from ordinary sight. We do the digging that our clients don’t have the time or tools to do. We filter massive quantities of disparate information to locate and polish nuggets of commercial insight. We produce actionable knowledge that helps businesses thrive.”

Fenton’s track record for contrarian prescience is spooky. In a research note last September, he noticed a surge in

unemployment and a sudden slump in gasoline demand in the industrial Midwest. Neither had been picked up by the media or the big analytic houses, but Fenton flagged these factors as likely precursors of a Trump victory in the presidential election. In April 2014, his analysis “Defang Russia with the 1986 oil tactic?” presaged OPEC’s now-famous shift in production policy and the subsequent collapse in oil prices by seven months.

Blacklight’s research notes are concise and readable. They mix keen insight with gentle humor to present valuable scenario analyses and thematic ideas that readers can find nowhere else. Blacklight offers a 20% discount on its subscriptions to fellow TAB members. For more info, including a free trial subscription, visit [www.blacklightgo.com](http://www.blacklightgo.com). 🚩



## MONDAY SEPTEMBER 25

*Omni Barton Creek Resort & Spa  
Crenshaw Cliffside Course  
8212 Barton Club Dr., Austin, TX 78735*

Classic Schedule

- 11:00 a.m. Registration
- 11:30 a.m. Lunch/Range
- 1:00 p.m. Shotgun Start
- 6:00 p.m. Awards Reception

Register at [www.txbiz.org](http://www.txbiz.org) under Programs & Events.

For more information contact Paula Romano at [PRomano@txbiz.org](mailto:PRomano@txbiz.org).



**PROCEEDS BENEFIT**  **BAC PAC**  
Business and Commerce Political Action Committee

\*BACPAC-(Business and Commerce Political Action Committee) TAB's state political action committee. By law, BACPAC cannot accept corporate contributions. Personal contributions, PAC contributions, and some - corporate structured business contributions are allowed (check with your CPA or tax attorney). BACPAC is a 501(c)3 organization, TIN 74-1963660. Contributions to BACPAC are not deductible for income tax purposes and are reported to the Texas Ethics Commission.

\*\*CIVIC (Committee to Inform Voters on Issues and Candidates) Promotes voter registration and education through TAB member companies and their employees. CIVIC may accept corporate contributions. CIVIC is a 501(c)4 organization, TIN 74-2065160. CIVIC contributions are generally not deductible as charitable contributions for federal income tax purposes, but may be deductible as ordinary business expenses (check with your CPA or tax attorney).

TAB member  
**COLIN FENTON**  
brings world-class  
thought leadership to  
businesses of any size  
at affordable price.



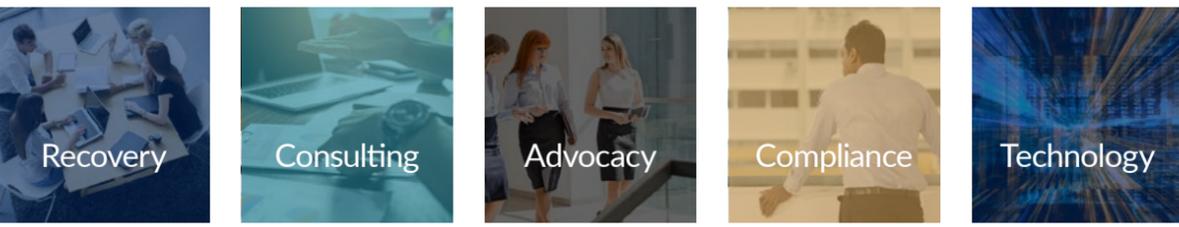
“ Ryan has secured millions of dollars in tax savings for Chrysler, consistently providing outstanding client service and value.

KEVIN M. DANIELSON  
Senior Manager, Indirect Taxes and Audits  
CHRYSLER



### Ryan Is the Largest Firm in the Industry Specializing Exclusively in Corporate Tax Services

While tax services are only a sideline at the national accounting firms, it's all we do. Our integrated tax services offering combines recovery, consulting, advocacy, compliance, and technology solutions that offer strategic advantages unmatched by ordinary accounting and consulting firms. And we support it with the highest level of client service excellence available in the industry today.



Visit our new website at [ryan.com](http://ryan.com) to access a wealth of thought leadership and best practices for improving tax performance, cash flow, and profitability.

1.855.RYAN.TAX | [ryan.com](http://ryan.com)



**2017**  
100 BEST COMPANIES TO  
WORK FOR IN TEXAS

# 2017

In March, over 600 attendees celebrated the Best Companies to Work for Dinner and Casino night – a tribute to all things “Bond”. While many took a chance and tried their luck at the black jack table, our winners don’t take any chances with their employees. This annual event sponsored by TAB, Texas SHRM and Texas Monthly honors the premier businesses in Texas as surveyed by their own employees.

Our forward thinking winners realize that the people who work for their company are their best assets so creating a positive work environment is a priority.

With hundreds of applicants to choose from, Best Companies to Work for highlighted their accomplishments, categorized by company size as Small (15-99 employees), Medium (100-400 employees) and Large (500+ employees). Taking home top honors were:

## EDWARD JONES, AUSTIN (LARGE EMPLOYER)

Edward Jones is the nation’s largest financial-services firm in terms of branch offices, with nearly 12,000 U.S. locations and 39,924 employees in the U.S. and 2,925 employees in Texas. One of the special benefits of Edward Jones is that every associate has an opportunity to own part of the company.

## DUKE REALTY CORPORATION, DALLAS (MEDIUM EMPLOYER)

Duke Realty Corporation is one of the largest commercial real estate companies in the U.S. with approximately 137 million square feet of industrial and medical office properties in 21 major metro areas, and 479 employees in the U.S. and 47 employees in Texas. They hold corn-hole contests and other games in common areas.

## ATKG, SAN ANTONIO (SMALL EMPLOYER)

ATKG specializes in tax, accounting, assurance and advisory services for a select client base of closely held businesses and large family groups with 32 employees in the U.S. and Texas. Their special Chip In program rewards behaviors desired by the firm. Branded poker chips can be exchanged for PTO or gifts, and the annual winner receives \$1,000.

“This event is a reminder of the great business climate and companies we have in Texas, said Chris Wallace, TAB President. “TAB is proud to host such a wonderful event with our partners. It was a night to remember, and those in attendance had a wonderful time.”

After hearing the stories of each company, it became clear this was more than a popularity contest. Each company that applied completed a rigorous survey and analysis of corporate policies and benefits. Finally, their employees completed a survey that identifies engagement, satisfaction and other key areas. The two survey instruments were then combined to produce a detailed set of data that enabled the analysis to rank and determine the best companies to work for. 🚩

*A special thank you to our Platinum Sponsors Ryan, Inc. and Texas Mutual Insurance Company, and our Casino Sponsor Direct Energy Business. Silver Sponsors were Encompass Home Health and Hospice, Mogas and Far West Capital. Bronze Sponsors were CorpTax and FHL Bank Dallas.*



# DOES YOUR COMPANY HAVE WHAT IT TAKES TO BE THE BEST?

Find out where your business ranks by applying today! Applications are already being accepted for the 2018 program.

The application deadline is August 25, 2017. View the program details, process and application at [www.bestcompaniestx.com](http://www.bestcompaniestx.com).

Apply today and we hope to see YOU on stage at next year's celebration.



**CONGRATULATIONS**  
*to the 100 Best Companies to Work for in Texas!*



TEXAS  
ASSOCIATION OF  
BUSINESS  
THE TEXAS STATE CHAMBER

*Commerce • Advocacy • Service • Freedom*

## SESSION REPORT

### TAB is working hard to address business concerns while proposals move slowly through the process.

#### STAFF PICKS FOR THE BEST BUSINESS BILLS OF THE SESSION AND OVERVIEW OF BUDGET PROCESS TO DATE

The 85th Legislative Session is more than half way over. While each session takes on its own unique personality, this session is among the oddest. TAB lobbyists have been tracking, testifying and weighing in on almost 4,000 of the 8,867 bills filed.

The Texas Senate moved swiftly to hear Governor Abbott's emergency bills as those bills were able to be considered before the 60-day mark of session, which is the first day all other bills must wait before being heard on the floor of each Chamber. The Senate also quickly heard its priority Senate bills, and then, soon thereafter compared to previous years, Senate stats dropped.

The Texas House has taken a more calculated approach, making the budget its top priority. Each chamber has its own style and TAB has

worked with both to ensure the business voice is heard.

While TAB is tracking thousands of bills on behalf of businesses and local chambers, here are the staff's picks of the top bills of the session making their way through the process:

- SB 17** by Sen. Nelson/ **HB 28** by Rep. D. Bonnen – Phases out the Franchise Tax.
- SB 22** by Sen. L. Taylor – Implements the Pathways in Technology Early College High School (P-TECH) Program.
- HB 100** by Rep. Paddie – Creates uniform ridesharing regulations.



END OF SESSION

# Session Stats:

As of May 2 2015 and 2017

## BILLS FILED

2015 6276

2017 **6620**

## SENATE BILLS

PASSED FIRST

CHAMBER

2015 207

2017 **591**

## HOUSE BILLS

PASSED FIRST

CHAMBER

2015 332

2017 **406**

Source: Telicon and Texas  
Legislature Online

- HB 577** by Rep. Workman – Prevents municipalities from getting involved in how private employers hire.
- SB 1107** by Sen. Schwertner – Expands telemedicine services.
- SB 507** by Sen. Hancock – Protects consumers from “balance bill shock” by expanding the current mediation statute to include all out-of-network hospital-based providers and freestanding ERs.
- SB 26** by Sen. Estes – Extends the Texas Emission Reduction Plan (TERP).
- HB 108** by Rep. Alvarado – Creates the Recruit Texas Program to facilitate the relocation to or expansion in this state of employers offering complex or high-skilled employment opportunities.
- SB 28** by Sen. Creighton – Keeps Texas competitive by ensuring that Texas Mobility Funds must be used for improvements to roadways that will enhance connectivity to ports.

To vote for your favorite pro-business bill, email [govaffairs@txbiz.org](mailto:govaffairs@txbiz.org) by May 24 and our readers’ pick will be announced in our weekly State Affairs Update.

To track these bills, members can log onto [www.capitol.state.tx.us](http://www.capitol.state.tx.us) and check out the progress of each bill.

### Budget Update

With the session clock quickly counting down, the only bill that constitutionally must pass before Sine Die is the two-year state budget. As usual, the House and the Senate have taken drastically different approaches in how they propose to finance the state for the next two years.

### The Senate Budget

The Senate unanimously passed their version of the state budget on March 28 after a civil debate and little fanfare.



TAB Governmental Affairs Manager Amanda Martin testifies in support of SB 507 in front of the Senate Business and Commerce Committee.

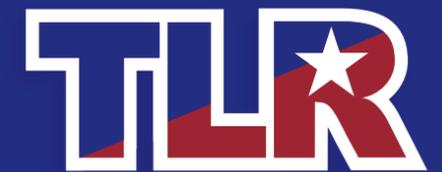
The Senate version totaled \$217.7 billion, spending \$106.3 billion in state revenue and using no money from the state’s Rainy Day Fund. It also incorporates this session’s proposed tax cuts, including Senate Bill 2, which slows property tax growth, and Senate Bill 17, which phases out the franchise tax. The Senate also utilizes an extra \$2.5 billion by delaying a diversion of sales tax money intended for highway funding, by moving the transfer from August to September, thereby moving it into the next fiscal year.

The Senate proposal includes an additional \$430 million for Child Protective Services and foster care systems. Mental health services will receive an additional \$240 million, including funding to eliminate waiting lists. Overall, health and human services programs will receive an increase of 4.8 percent.

Public education will receive about \$1.8 billion less in state funds, but the difference is made up in local property taxes. Student enrollment growth is fully covered with a \$2.6 billion provision. There is also \$316 million included to stabilize the Teachers Retirement Fund. Public universities are cut between 6 to 10 percent, but there is an additional \$45 million for the TEXAS grant program, and community colleges will receive an additional \$50 million.

Finally, the Senate has \$800 million to maintain the border security presence that was increased last session, and

Texans for  
Lawsuit Reform  
thanks  
the members  
of the Texas  
Legislature  
for their hard  
work in the  
85th Legislative  
Session.



To request a TLR speaker  
for your next event  
please call 512-478-0200.

[www.tortreform.com](http://www.tortreform.com)

## Encompass is Proud to be a Best Company to Work for in Texas



*A Better Way to Care*

[www.ehhi.com/careers](http://www.ehhi.com/careers)



additional funding for protective vests for law enforcement officers.

### The House Budget

To no one's surprise, the House's version of the budget debate was long and ugly, as members spent 15-plus hours debating, and occasionally fighting over, 400 pre-filed amendments. A deal was finally struck to move a large portion of the amendments to Article XI, which serves as the unofficial wish list for the conference committee to pull from as dollars are made available. The House finally voted out their version of the two-year state budget in the very early hours of April 7.

The House budget totaled \$218.2 billion, spending \$104.3 billion in state funds and \$2.5 billion from the Rainy Day Fund, bringing their total to \$106.8 billion. While the monetary difference between the House and the Senate is negligible, the method

of funding the budget has been, and will continue to be, a major point of contention.

In the House version, the Health and Human Services Commission has an almost 4% cut to the Texas Medicaid program, after being tasked to find flexibilities with the federal government to reduce costs. However, the House did add about \$430 million in additional funding for the Child Protective Services and foster care systems, and \$240 million for improvements to state-run mental health hospitals. The House also maintains increased funding levels – around \$650 million – for border security.

The House added \$1.5 billion to the state's school finance system, contingent on the passage of House Bill 21, the school finance overhaul, and spends \$500 million to cover the Teachers Retirement System.

During the floor debate, the House removed \$21.5 million from the Attorney General's

Legal Services budget, which instead went to the Department of Family and Protective Services to help foster care services. Another amendment removed \$40 million from the Texas Emission Reduction Plan (TERP), moving \$20 million to the Alternatives to Abortion program and \$20 million to community colleges.

One of the most significant moves during the House floor debate was the removal of \$43 million from the Governor's Texas Enterprise Fund, the economic development fund used to lure businesses to the state, and transferring those funds to Child Protective Services and foster care funding and Medicaid Therapy Services.

### The Conference Committee

Shortly after the budget passed both chambers, leadership named the Conference Committee to reconcile the differences between the two versions of the budget. Conferees for Senate Bill 1 are Nelson, Hinojosa, Huffman, Kolkhorst, and Schwertner in the Senate, and Zerwas, Longoria, Ashby, S. Davis, and Gonzales in the House. Hopefully, the conferees, as well as their respective chambers, can reach a compromise on Senate Bill 1 before Sine Die, which is May 29. 🚩



Post-session  
20-day deadline  
for the governor to  
sign or veto bills:  
**JUNE 18, 2017**

# Programs & Events

TAB Board Chairman Gary Gibson



## TAB Board of Directors Meeting

JUNE 30

Join your fellow board members in Austin at the Sheraton for the summer board meeting. A room block has been set aside at the Sheraton Austin at the Capitol for this event. Please make reservations before June 2 to get the special rate.

## Employment Relations Symposium

JULY 13 - JULY 14

The Texas Association of Business and the SHRM Texas State Council bring you the annual Employment Relations Symposium on the beautiful San Antonio Riverwalk. This year's meeting will be held at the San Antonio Marriott Rivercenter. The program focuses on the latest in laws and policies for HR professionals and is presented by experts in HR law.

## TAB Fall Board Meeting and Golf Tournament

SEPTEMBER 25 - 26

This unique golf experience brings together TAB member businesses, legislators and other influential business people from around the state to connect and engage in a more informal setting. It also is a fundraiser to support business advocacy efforts. Both the board meeting and golf tournament will be held at the beautiful and relaxing Omni Barton Creek Resort and Spa.

More information is available on our website at [www.txbiz.org/programs-and-events](http://www.txbiz.org/programs-and-events)



## ADVOCACY

# Business and Government Partnerships Endangered

WHICH INFORMATION IS PUBLIC AND WHICH IS PRIVATE COULD JEOPARDIZE A GOOD WORKING RELATIONSHIP

For many years, private businesses and governmental entities have been partners. These strategic alliances have benefitted both sides and strengthened communities. The interpretation of public information laws, however, could endanger the future of that partnership and the future of economic development done by private, non-government groups.

There are two major issues at play here, when working with a governmental entity, what records of that work agreement are open to the Texas Public Information Act (TPIA). The other

deals with records between governmental entities and local chambers of commerce and economic development corporations (EDCs).

“We have been working on this issue for most of this legislative session, and I feel we are coming up with plans that will satisfy everyone and keep these partnerships strong,” said TAB President Chris Wallace, who has been a part of the negotiations on these issues. “We certainly believe in government transparency, but we also believe in guarding the public release of information that could threaten a business's competitiveness.”

The Texas Supreme Court has ruled that the Greater Houston Partnership is not a governmental body subject to the TPIA because it is not wholly or partially sustained by public funds. That ruling protects confidential information of both chambers of commerce working with local governments to bring in new business and new jobs. It also protects private EDCs, which are doing the same thing.

“We are working on a compromise that would maintain the working relationships between chambers, EDCs and local governments.” said Wallace. “We don’t want anything that could threaten future business growth, job growth and relocations.”

Another issue brought up this legislative session would mean documents and records related to partnerships between

governmental entities and private businesses would be subject to the TPIA depending on the services those businesses are performing. The problem is the potential that trade secrets or information that could hurt a business’s ability to compete in the marketplace could be released to the public.

“If that were to happen, it would make it less likely that private businesses would want to enter into agreements to do work for local governments,” said Wallace. “That would cost both the businesses and the local governments money, time and jobs. On this issue, however, I also believe we are close to coming to an agreement that will satisfy both the public’s right to know and a business’s right to compete in the marketplace, maintaining the working relationship between those businesses and governmental entities.”

## WE APPRECIATE OUR 2017 TOP CORNERSTONE INVESTORS



### HAVANA - THEN AND NOW Culture and Business Introduction Program

FROM \$4,199 AIR & LAND  
6 DAYS, 5 NIGHTS INCLUDING HOTELS, MEALS, DAY TRIPS AND AIRFARE FROM MIAMI



OCTOBER 23-28, 2017

Explore the largest Caribbean island in-depth - from its stunning vistas over the lush countryside to its expansive beaches, quaint fishing villages and vibrant cities, all while having the chance to interact with the locals and get to know their vibrant culture, customs, music, and cuisine.

For more details and reservations contact: Aaron Cox at the Texas Association of Business  
E-mail: [acox@txbiz.org](mailto:acox@txbiz.org) • Telephone: (512) 477-6721 ext. 155



Reservations can also be made on our online booking engine [www.centralholidayswest.com/booking](http://www.centralholidayswest.com/booking). The Group Booking Code is: B002217

And ALL of our members, including more than 4,300 small and mid-size businesses.

"THEY HAVE WORKED HARD FOR US AND MET SEEMINGLY IMPOSSIBLE DEADLINES."

"THEY HAVE EXCEEDED OUR EXPECTATIONS BY DOING MORE THAN THEY SAID THEY WOULD DO."

"I CAN HONESTLY SAY WITHOUT THE ASSISTANCE OF FAR WEST CAPITAL, OUR AGENCY WOULD NOT BE HERE."

"I WENT TO THEM FOR FINANCING, BUT I ALSO GOT A PARTNER THAT I CAN RELY ON."

"THEY HAVE ALWAYS BEEN THERE TO SUPPORT MY BUSINESS."

"I COULDN'T ASK FOR A BETTER PARTNERSHIP. WE'RE REAL HAPPY & BLESSED TO HAVE FAR WEST ON OUR SIDE."

How can we be creative for your company?

How can we support your growth?

How can we unleash your potential?

**COME TALK TO US.**

INFO@FARWESTCAPITAL.COM | 512-518-6390

**FARWEST**  
CAPITAL



## State Matters

BY CHRIS E. WALLACE

*Texas Association of Business President*

It is an exciting time to be a member of the Texas Association of Business, and to work at TAB. Our team is enthusiastic about Jeff now being on board. He and I share the same vision for the future of TAB. Exciting times are ahead.

We are in the home stretch of another legislative session, and our legislative team has been extremely busy trying to keep Texas a great place to do business, but that job hasn't been easy. This session, more than most, has been tough on keeping Texas business friendly.

The good news is there have been plenty of victories, and there is plenty of good legislation that will help us. TAB has been successful in supporting bills that would lower health care costs in the long run, keep the cost of homeowners insurance in check and create a countdown to extinction for the franchise tax. All of those issues are still working their way through the process, but their chances look good.

At the same time, the legislature remains focused on some issues, such as discriminatory-type legislation and doing away with business relocation recruitment tools, which could hurt our economic and job growth. TAB has been very successful in pointing out the damage this kind of legislation could do to our economy, and lawmakers are listening.

Your return on the investment of your membership continues to grow. We are enhancing our federal advocacy initiatives, particularly in the area of trade. We are planning a leadership trip to Cuba to explore new markets there. We hope you also will join us for our next trip to Washington D.C. to work with our Texas Congressional Delegation. You may see our website for more details. TAB also is offering members a new partnership with Direct Energy to lower your businesses energy costs, and our relationship with our Texas chamber partners has never been stronger.

TAB has formed the Texas-Mexico Trade Coalition to address the importance of trade between Texas and Mexico, specifically how we (on behalf of our members) influence the process to improve upon NAFTA (NAFTA 2.0). If you are interested in participating please email me (cwallace@txbiz.org).

Thank you for your investment, and we hope you will tell a friend as well as your suppliers and vendors about the exciting times at your state chamber, and ask them to join us as a member of TAB. We want to hear from you on how we can assist your business. ✈

# TXBIZ



THE TEXAS STATE CHAMBER

## TEXAS BUSINESS NEWS

Featured Article

### Moseley to Lead TAB Into the Future

NEW CEO BRINGS A WEALTH OF EXPERIENCE

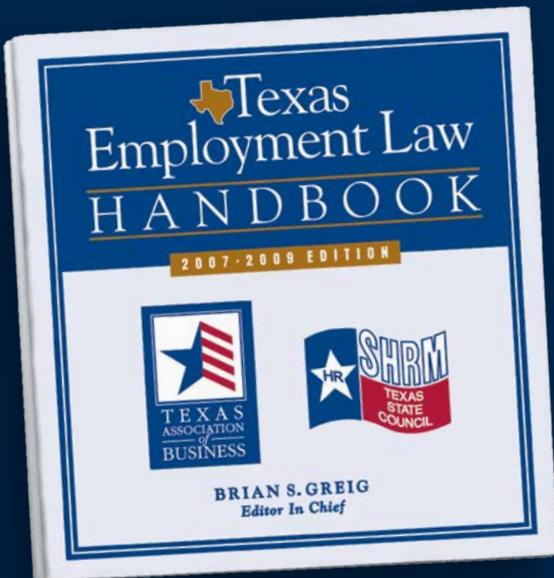


1209 NUECES STREET  
AUSTIN, TEXAS 78701

PRSR STD  
US POSTAGE  
**PAID**  
TEXAS MAILHOUSE, INC

Are you trying to keep up with ever-changing state employment law issues?

**WE'VE GOT YOU COVERED!**



*The ONLY Handbook written by Texas Labor Law Attorneys that focuses exclusively on the needs of Texas employers.*



### Join TAB!

By joining the Texas Association of Business, you lend your support to advocacy efforts that benefit our overall economy, while staying informed on pertinent issues that can affect **your bottom line**.

Supporting TAB is an investment in your business and our state's future. Our success is based entirely on the strong support we receive from you and other leading employers.

Learn more at [TXBIZ.ORG/ELH](http://TXBIZ.ORG/ELH).