



A Healthy Session

Every legislative session is marked with ups and downs, but this has been a particularly good session for TAB and Texas business when it comes to the issue of health care.

It looks like SB 481, which deals with the balanced billing issue, will soon be on the Governor's desk. The bill allows any balanced bill over \$500 to go into mediation. "This is an issue where people would go to a hospital for treatment and then get a huge bill for things they thought were being covered by their insurance," said TAB CEO

Bill Hammond. "The problem is people would go to in-network hospitals, only to find out that the doctors and other specialists were not part of their network, and they would be stuck with out-of-network charges. Under this legislation if those charges go over \$500 the patient has a way to address them through mediation."



TAB has had a successful legislative session on healthcare issues.

SB 425, the freestanding emergency room bill, also addresses surprise charges. There is not much difference on the outside between a freestanding emergency room and an urgent care clinic, but there is a huge difference in the amount you can be billed. A freestanding emergency room bills at emergency room rates, while an urgent care clinic often bills at a primary care or specialist care rate. "This legislation means that people will be told up front that they are being billed at an emergency room rate, so they can make a decision whether to seek treatment there, or look for a less expensive treatment option," said Hammond.

Lawmakers also took a major step this session to deal with the primary care shortage in Texas by putting more money into the state budget and creating an endowment to pay for more graduate medical education, or residency slots. "This bill means that every Texas student studying to be a doctor can find a place in Texas to complete their residency," said Hammond. "It also

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WORKFORCE Q&A

What kind of questions can employers ask job applicants about immigration?

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UPCOMING EVENTS

The TAB Employment Relations Symposium is a high-quality learning opportunity for HR professionals, business owners and others tasked with staying informed on human resources issues.

*Wednesday, July 8 - Friday, July 10
Hyatt Regency Hotel
San Antonio*

Go to www.txbiz.org to register.

TAB MISSION

To make the Texas business climate the best in the world.



*Caroline Tang
Ogletree, Deakins, Nash, Smoak
& Stewart, P.C.*

What kind of questions can employers ask job applicants about immigration?

The U.S. Department of Justice's Office of Special Counsel (OSC) has advised that an employer may ask a candidate the following specific questions to determine potential need for visa sponsorship:

- ★ Are you legally authorized to work in the United States? (yes or no)
- ★ Will you now or in the future require sponsorship for employment visa status (e.g., H-1B status)? (yes or no)

Title VII of the Civil Rights Act of 1964 protects all applicants and employees from national origin discrimination, regardless of visa status. Additionally, the Immigration Reform and Control Act of 1986 (IRCA) makes it illegal for employers to discriminate based on an individual's national origin, citizenship or immigration status. As such, an individual who believes that he or she was not hired based on country of origin, accent or appearance, for example, may allege discrimination on this basis.

An employer who does not wish to incur the cost of visa sponsorship may, in limited circumstances, indicate in the job opening announcement that applicants must be legally authorized to work in the U.S. However, employers should also verify with their employment and immigration counsel that they are in compliance with Department of Labor requirements regarding advertising language about equal opportunity employers.

In general, asking a candidate about national origin or citizenship before making an offer may cause problems down the road if the person is not hired. Thus, the best practice for an employer who wishes to determine potential visa sponsorship requirements is to limit the pre-employment inquiry to the above two questions specifically allowed by the OSC.

Employment Relations questions?

**Don't forget to call TAB's Employment Relations Hotline
for your next HR Question
1.800.856.6721, ext. 164 or E-mail smcgee@txbiz.org**

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Award Winning Members

The Texas Association of Business takes great pride when our members are honored. We would like to congratulate Nucor Steel for winning the prestigious Texas Environmental Excellence Award for Pollution Prevention.

The award is presented by the Texas Commission on Environmental Quality (TCEQ). Under the Waste Reduction Policy Act of 1991, the TCEQ initiated

the Texas Environmental Excellence Awards in 1993. Presented every spring, the awards are given in up to nine diverse categories across the public and private sectors.

By honoring these winners, the TCEQ hopes to encourage other citizens to initiate like-minded projects and reinforce a spirit of environmental stewardship.

According to the write up about the award on the TCEQ website, in 2012 Nucor began an innovative project to replace its five large baghouse fan blades with higher-efficiency backward-inclined blades. These fans evacuate emissions from the production of steel in an electric arc furnace. By incorporating the new blade design in the needed replacement, Nucor achieved increased efficiency and eliminated the need to replace the fan housing

completely. Increased efficiency of the design allowed Nucor to reduce the fans required from four to three to achieve the same minimum airflow. Additionally, the three fans running use less electricity each than the previous four. Operation of just three fan blades saved 2,000 kilowatts every hour of operation.

Nucor reviewed other energy saving opportunities following the success of the baghouse upgrade. The company has been installing variable-frequency drives (VFDs) throughout the facility, saving even more energy throughout

the site. The newest application of VFDs at Nucor has been to several large cooling towers and water pumps. These projects include two 250-horsepower VFDs on the cooling-tower fans. By operating the towers based upon water temperature, the motors of the fans operate at reduced speeds from the VFDs and consume less electricity. While the application of VFDs within the steel industry is not a new concept, their creative use in cooling towers is much less common. The VFDs on the cooling towers and water systems save over \$100,000 annually in electrical costs. In addition, these projects have conserved water by minimizing the amount that



Former TAB Chair John Bass is honored for his years of service to TAB by current Chair Terri Ricketts and Treasurer Gary Gibson.

QUOTES

“(SB 149) effectively eliminates any substantive requirement for juniors and seniors to prove they are college- or career-ready when they graduate.”

– TAB CEO Bill Hammond in the *Dallas Morning News* reacting to the signing of SB 149 into law.

“We’re watching other states lead while Texas risks lagging behind on policies that regulate ride-sharing.”

– TAB CEO Bill Hammond in the *San Antonio Current* in support of statewide ride-sharing regulations.

“People have to eat, and in order to eat, –they have to work. In order to– work, they have to drive.”

– TAB CEO Bill Hammond in the *Texas Tribune* in support of a bill to end the Driver Responsibility Program.

Local Fracking Bans Banned

House Bill 40, supported by the Texas Association of Business, would end local fracking bans has been signed into law by Governor Abbott.

The new law clarifies that the State of Texas through the Railroad Commission has regulatory control over the exploration and production of oil and gas resources instead of municipalities. The law is in response to recent efforts by cities to regulate drilling to the extent that mineral owners were being denied access to their private property. One example was the passage of a local fracking ban in Denton, which TAB spoke out against.

“This law provides a measure of certainty for companies looking to drill in Texas,” said TAB Vice President of Governmental Affairs Stephen Minick.

“A company isn’t going to want to invest in drilling wells when the possibility exists that a city government can ban that activity. This is one of those areas that needs uniform rules across the state, not a patchwork of rules that make investment uncertain and can cost our state jobs, economic activity and revenues that are needed to support public schools and other critical services.”

While providing that cities cannot simply deny access to the property held by mineral interest owners, HB 40 also makes it clear that cities retain all of their traditional authority to regulate land use and business activities by ordinance.

When signing the bill Governor Abbott called it “incredibly important,” saying that the bill protects jobs and private property rights and will avoid a patchwork of local regulations that could impact the oil and gas production in Texas.

The use of fracking technology, developed in Texas, has allowed unprecedented economic growth and prosperity in several areas of the state. It has brought Texas back to the prominent position as a world leader in energy production and exploration, a position the state enjoyed for much of the last century. Fracking also has pushed the United States into the world lead in energy production and has greatly diminished our need to import oil.

The United States is closer to energy independence than it has been in decades thanks to the use of this technology.

“From Spindletop to the Eagle Ford Shale, oil and gas exploration and production is something that has been the backbone of the Texas economy and helped build the Texas mystique around the world,” said TAB CEO Bill Hammond. “I am very pleased that the members of our Texas Legislature took this step to help keep our oil industry healthy and vital, so that it will continue to provide needed jobs for our state and needed energy for our nation.”



Governor Abbott has signed a TAB priority bill aimed at preserving oil and gas jobs.

Lawmakers Fund Transportation

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means that we will have a few slots open for out-of-state students to come to Texas. We know that doctors will likely practice in the same state they complete their residency, so it is important to import as many of them as possible in the hopes they will stay here.”

The state budget contains \$60 million for additional residency slots and SB 18, which was supported by TAB, creates a \$275 million endowment to pay for more residency slots.

Often times the measure of success is not what bills pass, but what bills don’t. There were 15 bills filed this session that would have created new mandates that health insurance would be required to cover. Only one of those bills has passed and is awaiting the Governor’s signature or veto. “TAB has made it a practice of opposing all health insurance mandate bills for the simple reason that it increases insurance rates, thus increasing the cost of health insurance for businesses,” said Hammond. “While the procedures and issues that these mandates would have covered are certainly noble causes, the fact remains that more people are uninsured in Texas than any other state, and we must not take steps to make that problem any worse. Many of these mandates would do just that, and that is why we opposed them.”



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Drive
Integrity
Trust
Mastery
Creativity
Entrepreneurial Spirit
Generosity

Award Winning members *continued from page three*

evaporates. You can read more about the award and see a video by [clicking here](#).

There also are changes coming to Nucor Steel. Former TAB Board Chairman John Bass will be leaving his position as Division Controller at the Jewett office and will be moving to a North Carolina office. We want to thank John for his many years of service to TAB and Texas business.

TAB also is proud to announce a special award given to Texas Mutual's Ken Lauber, the vice president of business development. Ken will be retiring after many years in the industry and 13 years at Texas Mutual. TAB CEO Bill Hammond and TAB Board Chair Terri Ricketts presented the award to Ken at TAB headquarters in Austin. It honors him for his work with TAB and for the Texas business community. We know Ken will be missed by everyone at Texas Mutual and everyone here at TAB when he retires this summer.



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Talk **About** Business

The Case for Contested Case Reform



Bill Hammond, TAB CEO

Recently, Chief Executive Magazine again named Texas the best place in the country to start and operate a business. It is the 11th year in a row Texas has won that honor. One reason for that long winning streak is the policies that our state leaders have supported to grow businesses in Texas, and this session our Legislature has taken another step that should help keep that streak alive.

State Lawmakers are to be commended for passing contested case reform. These reforms for the environmental permitting process were long overdue and will bring certainty to businesses looking to move and expand in Texas, one of the most important things needed for that kind of expansion to occur.

In the competition to get new businesses to come to Texas, and to convince existing ones to expand, Texas was at a competitive disadvantage when it came to environmental permits. Almost every other state in the country, including every one that shares a border with Texas, has a more streamlined permitting process that, while protecting the environment, also meant permits could be issued in a matter of months.

Texas, on the other hand, had a process that could stretch on for years. That

kind of delay is not a selling point to any company moving to Texas that needs environmental permits to operate.

These changes are not the doom and gloom that some environmental and public interest groups have been suggesting. The legislation preserves Texas' extensive public notice and public participation processes for environmental permits; the rights of affected parties to participate in contested case hearings before an administrative law judge; and the opportunity for those who protest permits to present their evidence to demonstrate that a proposed permit does not meet applicable legal, regulatory or technical requirements. Those are all things that are possible under our current system and will remain under the new one.

What this new system will do is make the process more predictable, fairer and more efficient, all things that will mean new jobs and new opportunities for all Texans.

I believe that lawmakers clearly understand that we cannot expect companies to bring capital and jobs to Texas if we cannot reasonably tell them how long it takes to get a permit. Nor can we expect our taxpayers and

utility ratepayers to bear the costs of a permitting process for critical public infrastructure that may take years to complete. Not only is that bad for business, that kind of policy is bad for all Texans. Not only does it deny jobs, it is another reason for utility rates to be higher than they need to be.

These new regulations will not make Texas a dirtier place to live, as some have espoused. There still are safeguards to ensure that our environment is protected and polluters who break the rules will still be caught and punished. We are not talking about a license to pollute. Keeping an everlasting process that includes unlimited hearings and appeals does not keep the environment clean and does not protect the public from anything, other than more economic prosperity.

Yes, the Texas economy is strong, better than most states, but that doesn't mean we can sit by and think that the status quo will keep it that way. All states thrive on competition. We must maintain a competitive edge with other states and take back the competitive edge other states may have on us. That is why it was so critical that our Legislature pass these reforms this session, and we are thankful they did.