



TAB Helps Launch *Call for Coverage Campaign*

Leading business and health care organizations, including the Texas Association of Business, gathered recently at the state capitol to launch the Texas Coalition for Worksite Wellness' Call for Coverage and Treatment campaign.

The Call for Coverage and Treatment campaign is working to encourage Texas businesses to invest in and offer comprehensive smoking cessation benefits for their employees. The campaign's goal is to increase the number of Texas workers with comprehensive smoking cessation coverage by an additional 100,000 within the next year.

"Our Call for Coverage and Treatment is focused on improving the health of the Texas workforce and encouraging smart investments in employee health care benefits that can pay real dividends, both in lives saved and hard dollar costs," said Bill Hammond, president of the Texas Association of Business, who also serves on the board of directors of the Texas Coalition for Worksite Wellness (TCWW).



The coalition's Call for Coverage and Treatment initiative encourages businesses to adopt programs or benefits based on recommended guidelines by the Center for Disease Control. The Call for Coverage and Treatment initiative not only asks employers to provide comprehensive smoking cessation coverage, but also actively promote the availability amongst their employees.

The CDC considers smoking cessation to be one of the most cost-effective health

care benefits a company can offer, on par with aspirin therapy and childhood immunizations. According to the CDC, comprehensive smoking cessation coverage programs should include:

- At least four, 30 minute counseling sessions;
- Coverage for all FDA-approved prescription treatments and over-the-counter nicotine replacement therapies; and
- Counseling and medication for at least two smoking cessation attempts per year – all with low or no co-pays or deductibles.

WORKFORCE Q&A

Our company is trying to reduce its payroll costs, and would like to require employees to take a forced vacation or sabbatical. Are there any legal problems with requiring employees to take unpaid time off?

(see page 2)

TEXAS ECONOMY

"{Texas} has no state capital-gains or income tax, and a business-friendly and immigrant-tolerant attitude. It is home to more Fortune 500 companies than any other state - 64 compared with California's 51 and New York's 56."

- "California v. Texas:
America's fortune,"
The Economist, July 9, 2009

TAB MISSION

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

WORKFORCE Q&A



Courtney Smith,
Ogletree Deakins, Austin

Our company is trying to reduce its payroll costs, and would like to require employees to take a forced vacation or sabbatical. Are there any legal problems with requiring employees to take unpaid time off?

Generally speaking, it is legal in Texas for employers to require employees to take a forced vacation or unpaid sabbatical. From a business perspective, this may be a better alternative than more drastic measures such as layoffs, in terms of preserving employee morale and having enough employees when business picks up again. However, there are a number of legal implications employers should consider when implementing these measures.

First, employers should make sure a forced vacation/sabbatical does not violate the terms of any employment agreement. Or if an employer has union employees, the employer should confirm the vacation/sabbatical does not run afoul of any union collective bargaining agreement.

Second, employers should provide employees with clear notice that no work is to be performed during the vacation/sabbatical and take measures to ensure this directive is followed. Such measures might include requiring employees to return employer-owned remote access devices and prohibiting employees from accessing company e-mail while on vacation/sabbatical. Keep in mind that employees who perform work must be paid for that work, even if the work is not authorized. If employees are engaging in work while on vacation/sabbatical, this can undermine any cost savings to the employer, because the employer will have to pay the employees for the work or risk exposure to potentially significant liability. Engaging in unauthorized work should therefore be treated as a serious disciplinary issue.

Third, because exempt employees must be paid their entire salary for weeks they perform any work, vacations/sabbaticals for exempt employees should be in full week increments.

Finally, as with any employment decision, employers should select employees for vacations/sabbaticals based on objective business criteria, and the criteria used should not have an adverse impact on any protected group.

Overall, forced vacations/sabbaticals can be an effective way for employers to manage costs in uncertain economic times if implemented in a considered, careful manner, ideally with the assistance of legal counsel.

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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Coalition Touts Worksite Wellness

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To assist their efforts, companies may obtain toolkits on how to build a smoking cessation program or benefits, as well as promotional posters, by visiting www.txworksitewellness.org. Physicians will also find toolkit resources on the Web site aimed at helping encourage patients to quit smoking.

“The Texas Coalition for Worksite Wellness’ Call for Coverage is a common-sense approach to improving the health and productivity of the Texas workforce,” said Hammond. “Employers like USAA and H-E-B are already leading the charge, and the State of Texas will join them this fall when state employees can take advantage of smoking cessation benefits through their health plans. It’s time for more Texas businesses to hear the call and respond.”

H-E-B offers comprehensive smoking cessation benefits for their partners as part of an overall health care benefits strategy aimed at improving health, increasing productivity and saving health care dollars.

“Smoking is a significant health care cost driver for businesses,” said Leslie Lockett, director of public affairs for H-E-B. “The decision to offer smoking cessation benefits makes good bottom line business sense, and it’s the right thing to do for the health and well being of our partners and their families, too. We hope other Texas-based businesses will join us and the Coalition in this call for coverage.”

The State of Texas also has realized benefits of helping state employees quit smoking for good. Although the statewide smoking ban did not pass, legislators made it possible for the Employee Retirement System to provide members with smoking cessation coverage beginning Sept. 1, 2009.

“Helping state employees quit smoking is good for employees and good for Texas taxpayers,” Andy Homer, government relations director for the Texas Public Employee Association said. “The ERS group benefit plan is the largest non-federal health plan in Texas. The smoking cessation benefit provided to our members during the recent legislative session will lower health care costs over time and employees who quit smoking are more productive. This truly is a benefit for all Texans.”

According to the National Business Group on Health, failing to help people quit smoking takes an economic toll – over \$180 billion every year. The CDC estimates

that smoking costs employers more than \$1,600 in excess medical expenses per smoker per year, plus an additional \$1,760 in health-related productivity losses per smoking employee per year.

“The Call for Coverage effort is working to clear the air and improve the health of the Texas workforce,” said Jeff Knisley, Texas government relations director for the American Lung Association of the Central States. “Smokers need access to the tools and proven treatments to help them quit.”

TAB currently has in place several worksite wellness programs designed to improve the health of its employees. TAB sponsors a prize-based walking competition and a smoking cessation program.

Key business leaders and advocates on hand to endorse the initiative, which kicked off June 23, included H-E-B, Texas Association of Business, Texas Academy of Family Physicians, Texas Healthcare and Bioscience Institute, Texas Public Employees Association, Employee Retirement System of Texas and the American Lung Association of Central States.

If you would like to learn more about the TCWW Call for Coverage and Treatment campaign and how your company can participate, please visit www.txworksitewellness.org

Ready to Quit?
We've got you covered.

Our company offers a variety of tools and resources, including:

- ✓ Counseling and support options
- ✓ FDA-approved prescription and over the counter medications

The tools to help you quit—Successfully.
For Good.

Find out about the smoking cessation resources available to you.

Contact:

CALL FOR COVERAGE & TREATMENT



The Call for Coverage & Treatment campaign is a program of the Texas Coalition for Worksite Wellness. Learn more about the coalition and campaign at www.txworksitewellness.org.

MEMBER PROFILE

Texas Farm Products

Pet Food and Livestock Manufacturer

Since 1930, Texas Farm Products (TFP) has been a family business. For three generations, the Nacogdoches-based Texas Farm Products has also been a proud member of the Texas Association of Business.

TFP is a pet food and livestock feed manufacturer, and boasts six brands of product. The company was founded by M.S. Wright, and was joined by sons Steele, Joe, Tom and Dick in operating the company at the conclusion of World War II.

The company has grown by leaps and bounds, diversifying from a fertilizer producer to adding a livestock component in 1931 and a pet food plant in 1978. With over 300 employees, TFP sells feed to East Texas and all of Louisiana, while they sell their pet food across America and forty countries abroad. While the fertilizer business ran its course, TFP continues to market it to the greater southern United States.

The company has had to evolve with the times. As pets have become more important to families, pet food has also had to transform to adhere to quality standards similar to those used in producing food for humans. TFP has maintained a commitment to a high-standard product using high-quality ingredients.

In January, the company will celebrate its 80th anniversary. Today, M.S. Wright's grandson Bud serves as the company's President and CEO.

"I am a firm believer that the key to being successful in business is surrounding yourself with dedicated, knowledgeable people who have a passion for what they do and a sense of urgency in taking care of business. We are fortunate to have attracted individuals of this caliber who enjoy being a part of our team," said Wright. "The climate for business in Texas is very good. "Even in our city, Nacogdoches is supportive of business and industry, with the chamber, municipal entities and the local university working in cohesion to do all they can to help companies grow and prosper."

"TAB has been instrumental in helping develop a positive business environment across the state," Wright continued. "As an independent business, it is reassuring to know there is an organization like TAB watching out for our best interests."

"Companies like Texas Farm Products are what we mean when we say that the independent businesses that are the core of TAB are also the core of Texas," said TAB President Bill Hammond. "These family-run, multi-generation companies should serve as an inspirational tale that if you deliver a quality product with great service – in Texas you will not only grow, you will thrive. The Association couldn't be happier to have such a great organization on our team."

"As an independent business, it is reassuring to know there is an organization like TAB watching out for our best interests."

***Bud Wright
President
Texas Farm Products***



*Bud Wright, President
Texas Farm Products*

US House Passes Largest Tax Increase Ever “Cap and Trade” To Raise Electric Bills By 30%

The United States House of Representatives recently passed HR 2454, a disastrous plan known as “cap and trade”, in an attempt to cut greenhouse emissions. The goal of the bill is laudable; however, the net effect would be the largest tax increase for Americans in history.

The costs associated with “cap and trade” would raise energy and electricity prices for Americans by thirty percent. In a struggling economy, this regressive tax would put many of our most vulnerable Americans behind the 8-ball, and put at risk the small business employers who provide the jobs that keep Texans afloat during these tough economic times.

Twenty-three of the thirty-two Congressmen from Texas voted against this outrageous tax, including Democrats **Chet Edwards, Solomon Ortiz** and **Ciro Rodriguez** – each of whom courageously defied party leaders like Nancy Pelosi and Obama Chief of Staff Rahm Emanuel.

Even if America implemented such a radical emissions plan, the global effect would be negligible as countries like China and India continue to open coal-fired plants at a clip of once a week. In addition, a recent G-8 nations meeting failed to produce a plan to combat climate change to bridge the divide between the developing and developed world.

A statement released by Governor Rick Perry stated that “[Texans] are in trouble if a federal agency is free to impose burdensome regulations in a way that harms family farms,

job creating factories and even large buildings such as hospitals and churches.”

Already the Obama Administration is planning a full-court press in the US Senate, which now has a sixty-vote filibuster-proof majority with the recent seating of Minnesota Democrat Al Franken.

Senator Kay Bailey Hutchison has stated that she “will fight hard to defeat [“cap and trade”] in the Senate. If allowed to become law, this ... will deal a devastating blow to the American economy, drive energy prices off the charts, put American businesses in a competitive disadvantage and drive our unemployment rates even higher.”

Senator John Cornyn has outlined clear alternatives, noting that the best way to achieve economic, environmental, and energy security is by encouraging more nuclear energy generation and domestic energy production.

Because of the status of Texas as a significant exporter of energy, either directly or through the goods and services produced in Texas, the dramatic economic impacts of this legislation will be felt here perhaps more than any other state. For this reason, TAB will continue its strong opposition to legislative efforts for clean energy and climate change that ignore scientific and economic realities.

For more information on “Cap and Trade”, please contact Steve Minick at sminick@txbiz.org



How Did Your Congressman Vote on “Cap and Trade”?

Voted for the largest tax increase in American history:

Rep. Henry Cuellar
Rep. Lloyd Doggett
Rep. Charles Gonzalez
Rep. Al Green
Rep. Gene Green
Rep. Ruben Hinojosa
Rep. Sheila Jackson-Lee
Rep. Eddie Bernice Johnson
Rep. Silvestre Reyes

Voted against the largest tax increase in American history:

Rep. Joe Barton
Rep. Kevin Brady
Rep. Michael Burgess
Rep. John Carter
Rep. Mike Conaway
Rep. John Culberson
Rep. Chet Edwards
Rep. Louis Gohmert
Rep. Kay Granger
Rep. Ralph Hall
Rep. Jeb Hensarling
Rep. Sam Johnson
Rep. Kenny Marchant
Rep. Michael McCaul
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Talk **About** Business

America Needs Real Solutions For Health Care Crisis



Bill Hammond, TAB President

President Barack Obama has made a government-run health care insurance program his top priority. Obama is right to want to help the uninsured, but his plan risks the insurance and livelihood of tens of millions of Americans.

In a recent Texas Association of Business poll regarding the Washington issues that could affect our members most, health care handily beat all other options. If government wants to help, why is that a problem?

For nearly forty years, the federal government has failed to rein in the cost of Medicare, with costs rising 34 percent more per patient than the combined costs of all health care in America. Given those statistics, do we have any expectation that the government can somehow change course to run a federal health insurance program with any degree of success?

The mandates set forth in Senator Edward Kennedy's proposal would require employers to provide coverage for all employees – likely to cause employers to stop hiring, make health benefits subject to taxation

and put a national health insurance program under the direction of federal bureaucrats.

With our national debt exploding, the potential \$1.6 trillion cost of this radical new health care burden make the negative economic, policy and political calculus impossible to ignore.

The nonpartisan Congressional Budget Office has said that “insurance expansions would also cause national spending on health care to increase, in part because insured people generally receive somewhat more medical care than do uninsured people.”

Texas has the most robust economy in America and is a true global competitor, but nearly a quarter of people living in our state are without health insurance. That fact is our state's dirty little secret, but is an issue we must spotlight if we are to have any meaningful affect on this problem.

The solution is not to centralize the health insurance industry in Washington. We must improve the quality and affordability of health care through market-based changes. Through a series of alterations, the private health care system will become

more affordable and provide fair and adequate reimbursements for care. In addition, employers must take on the responsibility of creating, developing and strengthening wellness and prevention programs.

Washington does not have the backbone to contain costs. Their track record on existing health care programs is one that mirrors the cause of our current economic hardships today: out of control spending with no means to pay.

For decades comprehensive health care reform has been the third rail of politics, with each meaningful attempt leading to politically damaging consequences. President Obama deserves recognition for taking such a provocative step in opening discussion about how to bring coverage to more Americans at a time when they are most in need. But his proposal is not the answer.

Adding an additional \$1.6 trillion onto our mounting debts, disrupting the coverage for tens of millions of Americans and giving more power to the government bureaucracy are dangerous precedents that will harm, not help, our neediest Americans.