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DISTRICT 25

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For Immediate Release:
Tuesday, February 12, 2019

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Senator Campbell Files Texas Small Business Protection Act to Protect Businesses from Overreaching City Ordinances

AUSTIN – State Senator Donna Campbell filed Senate Bill 762 today to protect small businesses from overreaching ordinances that insert big government into the employment practices of private businesses. The Texas Small Business Protection Act would prohibit Austin, San Antonio, and other cities from enforcing involuntary paid sick leave policies on small businesses, burdening them with unnecessary costs and threatening their ability to stay open.

"Texas has the tenth largest economy in the world because we promote free enterprise and protect economic freedom. Unfunded mandates on small businesses are a regulatory nightmare that negatively impacts the economy and costs jobs," said Senator Campbell. "City officials need to get their nose out of the private sector and focus on the public service function of local government like delivering drivable roads and providing clean drinking water."

The filing of SB 762 comes almost one year to the date since Austin City Council passed a mandate last February requiring all businesses to pay and keep track of sick leave for their employees. That policy is expected to cost local businesses \$150 million a year in overhead costs according to a study conducted by the Austin Chamber of Commerce.

Currently, six in ten Texans receive paid sick leave benefits without any type of government mandate. However, that number increases to eight out of ten workers when you take smaller firms and family-owned businesses out of the equation. In other words, these ordinances present the greatest cost to those small businesses least likely to afford it.

While Austin's ordinance was ruled unconstitutional by the Third Court of Appeals, the City of San Antonio has since passed a similar ordinance. Senator Campbell's bill mirrors language in the Third Court's ruling to further clarify existing statute regarding the state's preemption on these matters - originally set forth in the Texas Minimum Wage Act.

"Anti-business, anti-freedom polices are the reason jobs are fleeing to Texas from other states like California. We can't let politicians create a patchwork of local regulations here that make it just as hard to operate or we'll become the next California," said Senator Campbell.

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Senator Donna Campbell represents Senate District 25, which includes all or parts of Bexar, Comal, Guadalupe, Hays, Kendall, and Travis Counties.