5/12/2021

SUBJECT: Allowing suits against local laws affecting occupational license holders

COMMITTEE: Judiciary and Civil Jurisprudence — committee substitute recommended

VOTE: 5 ayes — Leach, Krause, Middleton, Schofield, Smith

4 nays — Davis, Dutton, Julie Johnson, Moody

WITNESSES: For — (Registered, but did not testify: CJ Tredway, Independent Electrical

Contractors of Texas; John McCord, NFIB; Derek Cohen, Texas Public

Policy Foundation; Julia Parenteau, Texas Realtors)

Against — Omar Narvaez, City of Dallas; Brad Neighbor, City of Garland; Joseph Harney, City of San Antonio; Holt Lackey, Equality Texas; Ann Baddour, Texas Appleseed; Jennifer Allmon, The Texas Catholic Conference of Bishops; Steven Rudner; (Registered, but did not testify: Matt Simpson, ACLU of Texas; Joe Hamill, AFSCME Harris County Local 1550, HOPE Local 123, Austin Local 1624, El Paso Local 59 and San Antonio Local 2021; Gregg Knaupe, American Heart Association; Eddie Solis, City of Arlington; Brie Franco, City of Austin; Tammy Embrey, City of Corpus Christi; TJ Patterson, City of Fort Worth; Richard Aubin, City of Garland, Texas; Jamaal Smith, City of Houston, Office of the Mayor Sylvester Turner; Philip Sanders and Jon Weist, City of Irving; Angela Hale, City of McKinney and McKinney Chamber of Commerce; Christine Wright, City of San Antonio; Earl Gilbert and Ricardo Martinez, Equality Texas; Jonathan Lewis, Every Texan; George Craig, Houston Police Department; Alison Mohr Boleware, National Association of Social Workers-Texas Chapter; Rene Lara, Texas AFL-CIO; Carisa Lopez, Texas Freedom Network; Monty Wynn, Texas Municipal League; Glenn Deshields, Texas State Association of Fire Fighters; Stephanie Gharakhanian, Workers Defense Action Fund; Susana Carranza; Idona Griffith; Vanessa MacDougal; Tracey Whitley)

**BACKGROUND:** 

Some have raised concerns that local regulations on occupational license holders could be overly burdensome and more stringent than those imposed by the state.

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DIGEST:

CSHB 610 would authorize individuals or entities that hold occupational licenses, permits, and registration certificates required under state law to bring an action to enjoin the enforcement of certain local laws related to their business or occupation.

The action could be brought against local laws that established requirements for, imposed restrictions on, or otherwise regulated the occupation or business activity of the license holder in a way that was more stringent than requirements, restrictions, and regulations under state law or if the local law's restrictions would result in an adverse economic impact on the license holder.

License holders would have to bring the action in a district court in Travis County or in a county that included any territory of the municipality that adopted the local law. The license holder would have to show by a preponderance of the evidence that the local law met the description in the bill. The license holder could provide evidence on the adverse economic impact of similar local laws in other jurisdictions inside or outside of Texas. If the license holder satisfied the burden of proof, the city defending the action would have the burden of establishing by clear and convincing evidence that the local law did not conflict with state law and was necessary and narrowly tailored to protect against actual and specific harm to the public's health or safety.

Courts could grant any prohibitory or mandatory relief warranted by the facts, including a temporary restraining order, temporary injunction, or permanent injunction. If a license holder prevailed, the court would have to award to the license holder court costs and reasonable and necessary attorney's fees to be paid by the city.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2021.