



# Testimony

## Senate Bill 814 Preemption of Local Regulations

### Testimony Before the Texas Senate Business and Commerce Committee

*By Rod Bordelon, Distinguished Senior Fellow for Regulatory Affairs*

#### Chairman Schwertner and Members of the Committee:

My name is Rod Bordelon, and I am appearing on behalf of the Texas Public Policy Foundation (TPPF) testifying in support of Senate Bill 814 relating to state preemption of municipal and county regulation.

As the bill states, in recent years, local jurisdictions have established many of their own regulations of commerce that are different than state regulations, leading to a “patchwork” of regulations and regulatory inconsistency.

SB 814 would create greater consistency of regulations and increased compliance by ensuring that the state of Texas is the exclusive regulatory authority over specified areas of state commerce. Municipalities would be precluded from adopting or enforcing an ordinance, order, rule, or policy that violates specified state codes such as Agriculture, Finance, Insurance, Labor, Natural Resources and Occupations.

The bill would also amend the Civil Practice and Remedies Code by providing standing to any person adversely affected by a municipal or county ordinance, order, rule, or policy to bring an action for declaratory relief against the municipality, county, or official adopting or enforcing the ordinance, order, rule, or policy. The claimant would be entitled to declaratory and injunctive relief, as well as costs and attorney’s fees. The bill would also waive governmental immunity for these causes of action.

There are over 1,200 incorporated cities in the state of Texas, more than 350 of them have ordinance authority as home rule cities. If even a small percentage of them enact ordinances dealing with commerce, affected businesses and individuals would be forced to comply with overlapping and often conflicting regulations, driving up costs that are then passed on to consumers.

Regulations, when necessary, should be narrowly drafted, consistent, and transparent to ensure the highest level of compliance and the lowest cost and burden on affected individuals and businesses. SB 814 will ensure just that by returning the regulation of state commerce to the state.

Thank you, and we would be happy to work with your committee on this important topic.

**Rod Bordelon** is a Distinguished Senior Fellow for Regulatory Affairs at the Texas Public Policy Foundation. He is an attorney and former state regulator with over 30 years of experience in regulatory and legislative affairs. He is an 11-term gubernatorial appointee, former Commissioner of Workers’ Compensation, and former Public Insurance Counsel.

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