

TEXAS BUSINESS RELIEF AND ECONOMIC DEVELOPMENT ACT OF 2009

I. PURPOSE

To promote economic development and jobs creation by embracing the relaxed policies that currently apply only to Texas homebuilders and extending them to other trades and professions as well. This bill will (1) remove barriers for entering once-restricted professions, (2) eliminate business risks by preventing lawsuits, and (3) return Texas to the “Wild West Land of the Free and Home of the Brave.”

II. JUSTIFICATION

Governor Rick Perry attributes the State's economic success in recent years, especially during the current global financial crisis, to the strong business climate that has resulted from his low-tax, small-government, limited lawsuit and “light touch” regulatory policies, which govern our great State.

III. ITEM 1 – RELAX STANDARDS

Laws that restrict free trade and confine the hallowed right of businesses to practice in Texas as they see fit shall be **PROHIBITED**. Standards that limit the profit potential of businesses shall be **RELAXED**. And Warranties that create a legal liability shall be **NULLIFIED**.

Homebuilders, for example, shall be allowed to build anywhere they can buy cheap land – on expansive clay soil, soils contaminated with arsenic or industrial waste, over underground springs, in flood prone areas, and in marshes or swamps, if they so choose – all without government interference or restrictive building codes and zoning ordinances.

Similarly, just as governments should not predetermine business winners and losers, Texas laws shall not dictate standards for construction quality, workmanship or materials used. Successful companies in a free market economy will make proper decisions on their own, some choosing to use the highest quality materials while others are free to choose cheap, substandard materials. Both options should be legal in a free market.

IV. ITEM 2 – REDUCE LITIGATION

The \$35 Billion Texas homebuilding industry has been carefully shielded from lawsuits, legal liability, criminal penalties, and other limits to their profitability, all without restrictive requirements for accountability. Other Texas professions deserve similar benefits.

This Bill reduces litigation by **EXTENDING** homebuilder protections to all trades and professions, including the ban on punitive damages, class actions lawsuits, and recovery of attorney fees.

In addition, to further reduce business risks and encourage economic development, the State will encourage businesses and professionals to organize as Limited Liability Corporations or Partnerships to further shield their assets and prevent individuals from being at risk should a plaintiff win a rare judgment that is not overturned by the business-friendly Supreme Court of Texas.

V. ITEM 1 – RESCIND LICENSING

Licensing of all trades and professions shall be abolished, because having a license does not guarantee quality work, and the free market is more effective at weeding out bad actors than government bureaucracies. Just as consumers are free to choose a different barber or hairdresser if they get a bad haircut, they can also choose a different builder if their current home is seriously defective. These same freedoms should also apply to patients scheduling surgery or dental work or obtaining legal counsel.

Licensing of all trades and professions in Texas is thus hereby **ABOLISHED**, making it easier for doctors, nurses, lawyers, engineers, architects and other tradesmen and/or professions to practice in Texas without the restrictions of education, testing or licensing requirements.

By breaking from the disruptive pattern of twenty eight (28) misguided states that license homebuilders, and by registering builders instead of licensing them, the Texas Association of Builders, Texas Residential Construction Commission, the Texas Sunset Commission and the Governor have shown leadership by example.

To extend that example, all Texas tradesmen and professionals will henceforward be required to “register” with the state, as opposed to being licensed. The only requirement for “registration,” as with Texas homebuilders, will be that the registrant:

1. “Be at least 18 years of age;”
2. “Be a citizen of the U.S.” (or a lawfully admitted alien); and
3. “Be trustworthy.” (The State will take your word for it.)

VI. THE BENEFITS

By making it easier to do business in Texas, the state is expected to become a Mecca for all professions, as it has for homebuilding. This will help drive job creation and economic development, while also lowering service costs and regulatory overhead.

The Texas unemployment rate will drop dramatically, because the unemployed can start new careers without investing unnecessary time and money to obtain once required education or experience in a chosen trade. This will lower the cost of many services, including medical care, dental care and legal representation. The State will save money by avoiding license revocation proceedings. And by banning consumer litigation against businesses, civil courts will become unnecessary.

By replacing licensing with registration across the board, and by abolishing lawsuits against registrants, healthcare costs will fall as anyone over 18 can become a doctor. By precluding legal liability, Texas professionals will no longer need malpractice insurance. (It is not inconceivable that registered “surgeons” might eventually advertise in-home surgery for just \$19.95; the cost of divorce could be priced as low as \$9.95 by a new army of “attorneys”.)

In summary, the object of this Bill is to rightly return Texas to the days of caveat emptor, where all trades are allowed to practice without oppressive government regulation or licensing.