TEXAS RETAILERS VIRTUAL LOBBY DAY



TEXAS RETAILERS VIRTUAL LOBBY DAY SPONSORS









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TEXAS RETAILERS VIRTUAL LOBBY DAY

MARCH 3, 2021 | AGENDA

| Start Time | End Time | Description |
|---------------|-------------|---|
| 12:00pm | 12:15pm | Virtual Lunch (Zoom call is open for networking during lunch) |
| 12:15pm | 12:30pm | Welcome and Issue Briefing |
| 12:30pm | 1:00pm | Special Guest: State Representative Bobby Guerra (confirmed) |
| 1:00pm | 1:30pm | Special Guest: Comptroller Glenn Hegar (confirmed) |
| 1:30pm | 2:00pm | Special Guest: State Representative Art Fierro (confirmed) |
| 2:00pm | 2:30pm | Special Guest: Lt. Gov. Dan Patrick (confirmed) |
| 2:30pm | 3:00pm | Special Guest: State Rep. Giovanni Capriglione (confirmed) |
| 3:00pm | 3:30pm | Special Guest: State Rep. John Raney (confirmed) |

We encourage our members to ask questions, share experiences, and interact with each guest if possible. Remember, this is your lobby day, a time for retail issues to be shared, discussed and highlighted for the leaders at the Texas Capitol.

TEXAS RETAILERS VIRTUAL LOBBY DAY MARCH 3, 2021 | AGENDA

Join Zoom Meeting

https://bit.ly/20dam2s

Meeting ID: 927 3524 8178

Passcode: 2222

Uber Eats Voucher

https://ubr.to/3r97thx

- 1. Make sure you have the Uber Eats App on your phone
- 2. Click on the link above <u>from your phone</u>
- 3. The Voucher will appear in your account, \$20 is for you to use toward your lunch!
- 4. The Voucher expires on 3/13/2021
- 5. Available for Lobby Day 2021 attendees /guests

We encourage our members to ask questions, share experiences, and interact with each guest if possible. Remember, this is your lobby day, a time for retail issues to be shared, discussed and highlighted for the leaders at the Texas Capitol.

TEXAS RETAILERS VIRTUAL LOBBY DAY STATE REP. BOBBY GUERRA

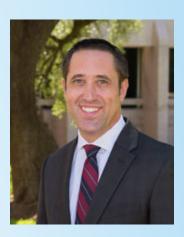


Bobby Guerra comes from old South Texas ranching families who helped settle the Rio Grande Valley in the 1700's.

Bobby has been practicing law for nearly 35 years; He was selected as a Texas Super Lawyer in 2006, 2007, 2008, 2009, 2010, and 2011. In 2012, Bobby became the managing partner of Guerra, Leeds, Sabo & Hernandez, P.L.L.C. As a founding member of the firm, Bobby has helped local city governments protect taxpayers, and represented a variety of businesses. In addition, he has practiced in all of the federal and state courts in the Rio Grande Valley and parts of South Texas.

Continuing his dedication to public service, Bobby is proud to serve as State Representative for House District 41, advocating for the people and the community of his home. Representative Guerra proudly represents the cities of McAllen, Mission, Edinburg, Palmhurst, Palmview, Alton and Pharr. Elected in 2012, Representative Guerra is serving his fourth term in the Texas House of Representatives. He currently serves as a senior member on the House Committees on Public Health and State Affairs.

TEXAS RETAILERS VIRTUAL LOBBY DAY STATE COMPTROLLER GLENN HEGAR



Glenn Hegar was elected as the 36th Texas Comptroller of Public Accounts in November 2014. Hegar is Texas' chief financial officer — the state's treasurer, check writer, tax collector, procurement officer and revenue estimator.

Upon taking office, he reorganized the agency for quicker and more effective decision-making and reduced its administrative footprint by working with the Legislature to eliminate inefficient programs and transfer others that didn't fit core missions. Additionally, the Comptroller recommended that the Legislature repeal eight taxes, six of which were administered by his agency.

Hegar is focused on his agency's constitutional duties and committed to improving its customer service and transparency. He believes a less-burdensome tax system will foster a better environment for job creation and business expansion, and thus a healthier Texas economy.

Hegar has worked hard to bring public and legislative attention to long-term financial obligations facing the state, such as health care coverage for public school teachers and employees, infrastructure maintenance and state employee pensions — needs that have caused major financial difficulties in other states. These obligations rarely receive adequate attention in the give-and-take of Texas' biennial legislative budgeting process, and the longer the state waits to address them, the greater their ultimate costs will be to Texas taxpayers.

TEXAS RETAILERS VIRTUAL LOBBY DAY STATE REP. ARTURO FIERRO



Art Fierro was elected to the Texas House of Representatives in February 2019 during the 86th Legislative Session. He is currently serving his second term as a state representative for House District 79 and serves as a member of the Elections Committee and Licensing and Administrative Procedures Committee. Representative Fierro is a proud member of the House (party) Caucus, Mexican American Legislative Caucus, the Texas House LGBTQ Caucus and most recently, the Caucus on Climate, Environment, and the Energy Industry and the Texas House Women's Health Caucus.

Before his election to the Texas House, Fierro served on the El Paso Community College Board of Regents for 13 years. He served as Secretary from 2000 to 2008 and Chair of the Board from 2008 to 2019. During his leadership as Chair, EPCC was recognized nationally for developing pathways for minority and under-served students. In 2015, The Aspen Institute named EPCC as a Top 10 Community College in the Nation. In 2016, the American Association of Community Colleges (AACC) recognized the work accomplished by EPCC with the Student Success Award, and the Association of Community College Trustees (ACCT) recognized EPCC with the Western Region Equity Award.

Outside the Texas Legislature, Fierro is a marketing and public relations consultant and works with several marketing firms. Representative Fierro's community service is extensive, including past and present board memberships in the Hispanic Leadership Institute of El Paso, El Paso International Airport, and the City of El Paso International Bridge Commission. Currently, he serves as a member of the Rio Grande Council of Governments, the Board of the South-West Texas Border Small Business Development Center, Board of the El Paso Holocaust Museum, and the ACCT Diversity Committee.

TEXAS RETAILERS VIRTUAL LOBBY DAY LT. GOV. DAN PATRICK



Dan Patrick was first elected lieutenant governor of Texas in 2014 and re-elected in 2018.

A preeminent voice for principled conservative policies both in Texas and across the nation, Lt. Governor Patrick is leading the fight for life and liberty in Texas including securing the border, reducing property and business taxes, standing up for the Second Amendment and addressing Texas' infrastructure challenges to assure that our state continues to flourish economically.

Lt. Governor Patrick presided over what have been called the most conservative and productive sessions of the State Senate in Texas history. Focusing on strategies to keep Texas families and communities safe and the state economy strong, under his leadership, the Senate passed legislation to dramatically increase support for border security and reduced the franchise tax by 25% on a pathway to eliminating it all together.

Lt. Governor Patrick has championed property tax relief over several legislative sessions, and during the 86th Legislature, he passed landmark property tax reforms stating that taxing entities cannot raise their revenues more than 3.5% without approval from the people.

TEXAS RETAILERS VIRTUAL LOBBY DAY STATE REP. GIOVANNI CAPRIGLIONE

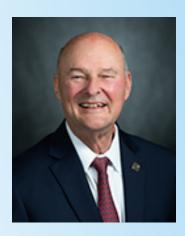


Giovanni has been married to his wife Elisa for 20 years, and has three children attending Carroll ISD schools. After receiving his BS in Physics, he pursued his MBA in Finance from Santa Clara University. After school, Giovanni went on to work for a DFW based venture capital/private equity firm.

Giovanni is now the owner and president of his own small business, Texas Adventure Capital LLC, which provides business services to various investment fund managers and business owners. His focus is investing in Texas-based small businesses. Previously, Giovanni held various positions at computer engineering companies specializing in semiconductor design and Internet products, and was senior vice president at an investment firm where he managed the loan and equity portfolios of various American businesses.

Giovanni was elected to the Texas House of Representatives in 2012 and is serving his fifth term representing District 98 which encompasses all or part of Grapevine, Colleyville, Southlake, Keller, Westlake, North Fort Worth, and Haslet. He currently serves on the House Committee on Pension, Investments & Financial Services and the House Committee on Appropriations. He is the chairman of the Innovation & Technology Caucus and a member of the following House caucuses: Manufacturers Caucus, Rural Caucus, Sportsman's Caucus, Veteran's Caucus, Farm to Table Caucus, and the Fine Arts Education Caucus. Giovanni also chairs the Tarrant County Delegation.

TEXAS RETAILERS VIRTUAL LOBBY DAY STATE REP. JOHN RANEY



A sixth-generation Texan, State Representative John Raney was elected to the Texas House of Representatives in December 2011 and serves Texas House District 14 which is comprised of Bryan and College Station.

John began his involvement in politics in the early 70s when he served as Chairman of the Republican Party of Brazos County. During his tenure as Chairman, John also served as Civic Division Vice President of the Bryan College Station Chamber of Commerce, chaired Senatorial District 5 Caucus and began his almost four-decade membership in the National Federation of Independent Business, including serving as a board member. John is a long-time member of the Texas Retailers Association, serving for many years on its Board of Directors and taking an active role on its Tax and Legislative Committee and Executive Committee. In 2010, John Raney was named the Outstanding Member of the Texas Retailers Association. In 2017, John was awarded The ARC of Texas Legislator of the Year for his work on behalf of working Texans with disabilities.

Sworn in during the 82nd Legislature, John's current committee assignments are the House Committee on Appropriations and the House Committee on Higher Education. This is his fourth term to serve on these committees.

87th LEGISLATIVE PRIORITIES

The Texas Retailers Association (TRA) supports a business-friendly regulatory environment. TRA member companies are regulated, licensed, inspected, and taxed by agencies in Texas and appreciate the Legislature's efforts to continue to make Texas retail friendly. TRA supports regulation that is reasonable and allows our members to continue to provide excellent customer service, top quality products and continued business success in the retail industry. Our members take various approaches to provide these services, and TRA supports their efforts to make those choices independently without unnecessary regulatory burdens imposed by either the state or local governments.

Additionally, TRA's members are playing a key role to help our state and local communities deal with the COVID-19 pandemic, and we continue to provide those essential services today. We are keeping our customers and employees healthy and safe, and have been leaders in implementing protocols, procedures, and technology to ensure safe shopping environments.

TRA SUPPORTS

- TRA supports the state's actions during the pandemic and appreciates the broad impact and guidance given by our elected officials during this time.
- TRA will support measures to provide workable solutions to the
 retail community across Texas to enable our members to keep our
 customers and employees safe and healthy while continuing to
 provide our community with essential needs and services throughout
 the pandemic and into the future.
- TRA supports liability protections for retailers against meritless legal claims due to the COVID-19 pandemic. This protection will allow retailers to continue to serve their communities and devote resources to those efforts rather than baseless lawsuits. These protections should also keep intact reasonable recourse for those truly harmed by bad actors.
- **TRA supports** passing statewide legislation that would preempt local governments from unilaterally enacting negative local employment and labor laws mandating employer benefits, employer hiring practices, scheduling, and other daily operational business practices.
- **TRA supports** inventory property tax relief. Retailers across Texas are subject to increasingly higher property taxes, not only on their retail space but also on the inventories on their shelves. Texas business property taxes continue to serve as a significant disadvantage to the retail industry in our state. Inventory property tax relief is not selective; it benefits large and small businesses equally and attracts greater investment in the Texas economy.
- TRA supports efforts to address the significant growth of Organized Retail Crime (ORC). Retailers are seeing more cases and higher losses as organized crime continues to target them. Retailers and online marketplaces are making significant investments to prevent these crimes. As such, TRA supports legislative efforts to help protect consumers from unknowingly purchasing stolen merchandise originating from ORC activity, aid law enforcement in tracking those engaged in ORC, and to make it more difficult for bad actors to sell illicit goods.

TRA BILLS

The following list contains examples of some of the bills TRA is tracking so far in the 87th Texas Legislature in our high interest categories. This list is not comprehensive but touches on those topics we will be watching closely and heavily involved with throughout the remainder of session. Given that the filing deadline has not passed yet, there are still a number of very important pieces of legislation that have not been filed to date. Those bills will certainly fall into the categories of COVID-19 Response and Recovery, Winter Storm Response and Recovery, Utility Stabilization, and Major Labor Issues. We will continue to provide updated tracking list to our membership throughout session and are glad to answer any questions about these or any areas of interest.

TRA President/CEO

George Kelemen via email gkelemen@txretailers.org

TRA Government Affairs

Jim Sheer via email jsheer@mwcllc.com

TRA Grocery Industry

Gary Huddleston via email ghuddleston@txretailers.org

TRA GROCERY

HB 1024 | Geren, Charlie (R)

Relating to the pickup and delivery of alcoholic beverages for off-premises consumption. As indicated throughout the pandemic, the legislature is willing to make permanent some of the provisions and waivers implemented during 2020. HB1024 would make alcohol-to-go a permanent offering in Texas.

HB 2232 | Bucy, John (R)

Relating to a local option election to allow the sale of certain alcoholic beverages on Sunday. HB 2232 would permit local elections for allowing or disallowing the sale of alcohol on Sundays.

SB 453 | Blanco, Cesar (F)(D)

Relating to a study and report by the comptroller on local and state supply chain disruptions caused by the COVID-19 pandemic. HB453 directs the Comptroller of Public Accounts to perform a study on the economic impact, employment issues and industry specific supply chain demand caused by COVID-19. The Comptroller would then make recommendations to the Legislature based on their findings.

TRA TAX

SB 153 | Perry, Charles (R)

Relating to the exclusion of certain payment processing services from the definition of "data processing service" for purposes of sales and use taxes.

SB153 would clarify that payment processing fees are not a data processing service and not taxable under current Texas Tax Code.

HB 89 | Canales, Terry (D)

Relating to exempting disinfectant cleaning supplies and certain face masks and disposable gloves from sales and use taxes for a limited period.

HB89 is an example of many sales tax exemption and sales tax holiday bills that have been filed this session. Budget circumstances will likely determine their ability to move through the legislative process.

HB 1389 | Guillen, Ryan (D)

Relating to certain reimbursements and discounts allowed for the collection and payment of sales and use taxes.

HB1389 allows an increased tax collection allowance for sales tax collected for the state from purchases made via credit card.

SB 144 | Powell, Beverly (D)

Relating to the extension of the expiration of certain parts of the Texas Economic Development Act.

Chapter 313 of the Texas Tax Code will expire in 2022, before the next Legislative Session. This bill and others will seek to extend the economic development agreement programs between industries and local taxing authorities.

TRA LABOR

HB 60 | Reynolds, Ron (D)

Relating to the minimum wage.

HB60 would increase the minimum wage to \$15/hour. There are several other bills that have been filed this session that are similar and there has been lots of discussion on this issue at the federal and state levels.

HB 87 | Reynolds, Ron (D)

Relating to requiring certain employers to provide paid sick leave to employees.

HB87 requires employers to provide paid sick leave to their employees and specifies terms for use and accrual.

HB 401 | Hernandes, Ana (D)

Relating to the requirement that certain employers provide advance notice of employee work schedules. HB401 would require large retailers to provide a 2 week notice for employee work schedules and outlines violation procedures and exceptions for the notice requirements.

TRA GENERAL BUSINESS

HB 636 | Thompson, Senfronia (D)

Relating to the continuation and functions of the Texas State Board of Plumbing Examiners

Plumbers across the state were placed in a precarious situation last session when the Plumbers Licensing Agency sunset bill did not pass. HB636 replaces the temporary interim fix, implements new testing and reporting protocols and extends the sunset provisions until 2027.

HB 820 | White, James (R)

Relating to requiring certain business entities to audit the business's supply chain and on-site services for the use of forced labor.

HB820 would require large businesses to perform annual supply chain audits for potential use of forced labor and report those findings to the Texas Secretary of State and the Legislature. These audit findings would be posted on the business's public website and available on the Secretary of State's website.