

ABC of Texas Priority Legislative Issues - 2011

Lien Law/Retainage - ABC of Texas, the Texas Construction Association and the Associated General Contractors-Texas Building Branch have been working on legislation to eliminate some problems caused by deadlines in the Lien Law when dealing with retainage. We believe we have legislation that these three groups can support.

Alternate Delivery Systems - ABC of Texas believes that it is good public policy to provide uniformity in the way political subdivisions advertise and award contracts using alternatives to lowest bid. The process used by a political subdivision must be fair, consistent and open. A level playing field for all those submitting bids will result in the best possible outcomes for all involved and protects our free enterprise system.

Workers' Compensation (Third Party Liability & CIPs) - ABC of Texas believes that recent court decisions upholding the principle of "statutory employer" are in the best interests of the state and the free enterprise system and should be extended by the Legislature. ABC of Texas believes that when a worker is covered by Workers' Compensation, Workers' Compensation should be the sole remedy.

Indemnification - ABC of Texas is supporting legislation that bans indemnification agreements except for the indemnitor's employees and employees of its agents and subcontractors.

Frivolous Lawsuits - ABC of Texas will support legislation dealing with "loser pay" in frivolous lawsuits and other reforms designed to move claims with merit forward in an expeditious manner.

State Breach of Contract - ABC of Texas believes that contracts where only one side is held to the terms of the contract are inherently unfair. While school districts and local governments are not immune from lawsuits dealing with breach of contract, the state remains immune by law. We believe the concept of "sovereign immunity" should not extend to contracts since exposure of the state treasury is limited to the terms of the contract. ABC of Texas believes there are savings to the state since more contractors will bid on state projects and contractors will not have to include in the price the uncertainty caused by sovereign immunity.

Immigration - ABC of Texas believes that employers should not be held responsible if the employer uses an approved verification system unless the employer intentionally hires an undocumented worker.