

March 13, 2023
House Committee Business & Industry Written Testimony
Supporting HB 4

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Re: Testimony in Support of HB 4 (Capriglione) State Data Privacy and Security Act

Dear Chairman Longoria and House Committee Business & Industry Members,

Thank you for the opportunity to provide testimony. On behalf of thousands of business members from across Texas and over 200 chambers of commerce, the Texas Association of Business (TAB) supports HB 4.

We want to thank Chairman Capriglione for his work on issues surrounding data privacy and online consumer protections, and for his engagement and consideration of stakeholder feedback throughout the process. These issues are also important issues for employers and businesses across our state.

The Texas Association of Business (TAB) is the State Chamber of Commerce and the state affiliate for the National Association of Manufacturers, we represent members across every industry sector and size, and local chambers. We know from working with our broad membership base that “technology” issues no longer impact just tech companies. Today, every business depends on information technology to reach and better serve customers, process payroll and HR benefits, accommodate hybrid work, and make things better, faster, and cheaper for customers and workers alike.

Since comprehensive data privacy legislation was first introduced 3 sessions ago, we have been working with our members to understand how state data privacy legislation would impact them. While most Texas employers prefer a national standard to ensure consistency across all states, we did develop an agreed upon series of principles that we would like to be considered for any proposed state legislation. These principles included:

- Ensuring transparency for consumers and giving the consumer clear and balanced rights to control their personal information.
- Preempting other governmental entities including local governments from enacting data privacy laws.
- Strongly opposing the creation of any new private right of legal action against Texas employers.

While there are some provisions that employers would like to see more consistent with legislation that has been passed in other states, the current version of HB 4 encompasses these standards that employers agree on, and we thank Chairman Capriglione for welcoming and considering recommendations from TAB and hundreds of other entities.

We also hope and request that the data privacy requirements in House Bill 4 are the only such data privacy mandates put on Texas businesses this session. This has been a three-session effort with significant engagement and complex issue conversations between the Texas Legislature and the business community. Adding additional IT mandates on employers this session would add tremendous burdens and unintended consequence risks. The Texas Association of Business represents businesses of every size and sector, and that technology impacts every single one.

Thank you for the opportunity to comment in support of HB 4 today on behalf of the Texas State Chamber of Commerce.

Sincerely,

A handwritten signature in cursive script that reads "Megan Mauro".

Megan Mauro
SVP, Policy & Advocacy
Texas Association of Business