



THE TEXAS STATE CHAMBER

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April 30, 2025

House State Affairs Committee

Written Testimony in Support of Texas House Bill 5402

Chairman King, Vice Chairwoman Hernandez, and Members of the Committee,

My name is Faith Villarreal, and I'm here on behalf of the Texas Association of Business, representing employers across every industry and our local chamber partners across the state.

We strongly support HB 5402, a common-sense, pro-business measure that would require a fiscal impact statement for any proposed health insurance mandate.

Right now, new mandates are often passed without any data on how they affect premiums or affordability. While well-intentioned, these mandates drive up costs, reduce plan flexibility, and limit the ability of employers to offer benefits tailored to meet the needs of their workforce.

Over 14 million Texans rely on employer-provided health coverage. Yet in the last three years alone, employer healthcare spending has increased by 16%, outpacing both inflation and wage growth. Small businesses are disproportionately impacted with only 27% able to offer health benefits at all.

Employers want to provide high-quality affordable coverage to attract and retain talent, but they need flexibility and predictability, not costly, one-size-fits-all state mandates. Twenty-nine other states already require similar cost reviews. It's time Texas did the same.

HB 5402 would bring much-needed transparency and accountability, ensuring lawmakers have the data they need to make informed, responsible decisions. In return, this bill would help protect jobs, businesses, and working families from unchecked health care costs.

We respectfully urge the committee to support this legislation to help control rising health costs and preserve access to employer-provided coverage.

Thank you for your time and consideration.

Sincerely,

Faith Villarreal
Government Relations, Texas Association of Business