

By: Eiland

H.B. No. 2571

A BILL TO BE ENTITLED

1 AN ACT

2 relating to requirements for disclosing a consumer's personal
3 information.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Subchapter D, Chapter 35, Business & Commerce
6 Code, is amended by adding Section 35.601 to read as follows:

7 Sec. 35.601. DISCLOSURE OF PERSONAL INFORMATION. (a) In
8 this section:

9 (1) "Consumer" means an individual resident of this
10 state who obtains products or services that are used primarily for
11 personal, family, or household purposes.

12 (2) "Personal information" means a consumer's name,
13 telephone number, address, social security number, or
14 government-issued identification number.

15 (b) A person who acquires a consumer's personal information
16 in the course of the person's business and as a result of providing
17 products or services to the consumer may sell or otherwise disclose
18 the consumer's personal information to another person only if:

19 (1) the person making the disclosure pays the consumer
20 \$5 for each other person to whom the person discloses the consumer's
21 personal information;

22 (2) the consumer waives compensation before each
23 disclosure of the consumer's personal information; or

24 (3) the person provides the consumer with a privacy

1 policy regarding the person's disclosure of consumers' personal
2 information, the consumer authorizes the disclosure of the
3 consumer's personal information as provided by the policy, and the
4 person to whom the information is disclosed agrees in writing not to
5 disclose the consumer's personal information except as provided by
6 this section.

7 (c) This section does not apply to:

8 (1) information disclosed by or to a governmental
9 entity;

10 (2) aggregate information regarding a consumer that
11 cannot be used to identify or contact a consumer;

12 (3) information disclosed for purposes of providing a
13 consumer goods or services requested by the consumer; or

14 (4) information disclosed in a publicly available
15 directory provided without charge or for a nominal fee.

16 (d) A person who discloses a consumer's personal
17 information in violation of this section shall compensate the
18 consumer as required by Subsection (b)(1).

19 SECTION 2. This Act takes effect September 1, 2005.