

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

February 21, 2005

TO: Honorable Helen Giddings, Chair, House Committee on Business & Industry

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: HB1130 by Cook, Byron (Relating to the adoption of a privacy policy by a person who requires the disclosure of an individual's social security number.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would not have a significant fiscal impact; however, it could have a significant service impact on Employees Retirement System (ERS) related to retirement records. When a member calls ERS with questions, ERS requests the member's social security number to provide individualized information. If ERS employees are required to recite the privacy policy to each caller, the average call length could increase resulting in more wait time on the phone. In addition, postage costs would increase to pay for mailing the privacy policy to members who do not have an e-mail address.

The bill would have minimal fiscal impact on ERS related to insurance records because ERS contracts with its health plan vendors already require that social security numbers cannot be used on identification cards. In addition, all of these vendors have privacy statements due to requirements of the Health Insurance Portability and Accountability Act (HIPAA).

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 302 Office of the Attorney General, 327 Employees Retirement System

LBB Staff: JOB, MS, JRO