LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

March 19, 2005

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

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

IN RE: HB1351 by Pena (Relating to the installation, copying, or use of computer software for unauthorized purposes; providing a penalty.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend Title 4, Business & Commerce Code by adding Chapter 48. Chapter 48 would prohibit the unauthorized collection or transmission of personally identifiable information, unauthorized transmission or modifications of computer settings, unauthorized interference with installation or disabling of computer software, damage, or any other deceptive act to obtain information from a consumer's computer.

Section 48.009 of the bill would give the Attorney General, or the county attorney, authority to bring suit to recover a penalty under this section not to exceed \$1,000 per violation, seek an injunction, and recover attorney fees and costs. Civil penalties may only be imposed for a violation that occurs on or after January 1, 2006. This Act takes effect on September 1, 2005.

The proposed legislation could result in new complaints, investigations or cases by the OAG, however, it is projected that this increase could be absorbed by current resources.

Local Government Impact

Costs to local governmental entities to implement the bill would depend on the number of offenders, which would then determine the number of suits filed by a prosecuting attorney in the county in which the violation occurred. The prosecuting attorneys would be allowed to recover reasonable expenses incurred in obtaining an injunction or recovering a civil penalty, including court costs and reasonable attorney's fees.

Source Agencies: 302 Office of the Attorney General **LBB Staff:** JOB, JRO, MS, KJG