LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 5, 2007

TO: Honorable Frank Corte, Jr., Chair, House Committee on Defense Affairs & State-Federal Relations

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

IN RE: HB2233 by Corte, Frank (Relating to information technology security practices of state agencies.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would require that the Department of Information Resources establish standards for protection of state information resources; performing risk assessments; implementing of physical security and disaster recovery of computer systems.

The bill would require that the Department of Information Resources rank state agencies annually in order of priority for vulnerability assessments; conduct an annual statewide assessment of information technology security resources and practices and submit a report to the governor, lieutenant governor, the speaker of the house of representatives, and the state auditor's office no later than December 31 of each year.

The bill would require a state agency to promptly investigate, document, and report to the Department of Information Resources each suspected or confirmed computer incident that involves sensitive, confidential, or personally identifiable information; is critical in natures; or could be propagated to other state systems. The bill would also require state agencies to contact the Department of Information Resources and appropriate law enforcement and investigated authorities immediately if criminal activity is suspected regarding a computer incident.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 308 State Auditor's Office, 313 Department of Information Resources, 405 Department of Public Safety

LBB Staff: JOB, ES, MS, EP, KJG, RC