

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 9, 2007

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

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

IN RE: HB3222 by Elkins (Relating to a business's duty to protect and safeguard sensitive personal information contained in its customer records.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Business and Commerce Code relating to a business's duty to protect personal information in customer records. The bill would require businesses to encrypt any sensitive information that a business maintains in electronic files, and would authorize a person harmed by a breach of a business system security to bring a private cause of action against the business for damages. According to the Office of Attorney General, the bill would not likely result in new cases for the consumer protection, public health, or financial litigation divisions. To the extent the bill would amend court procedures relating to litigation of consumer protection, public health or financial cases, no significant fiscal implication to the State is anticipated. The bill would take effect September 1, 2007.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 302 Office of the Attorney General

LBB Staff: JOB, JRO, ZS, TB