

By: McCall

H.B. No. 2004

Substitute the following for H.B. No. 2004:

By: Gallego

C.S.H.B. No. 2004

A BILL TO BE ENTITLED

1 AN ACT

2 relating to a breach of computer security involving sensitive
3 personal information.

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

5 SECTION 1. Section 521.002(a)(2), Business & Commerce Code,
6 as effective April 1, 2009, is amended to read as follows:

7 (2) "Sensitive personal information" means, subject
8 to Subsection (b):

9 (A) (A) ~~[(A)]~~ an individual's first name or first
10 initial and last name in combination with any one or more of the
11 following items, if the name and the items are not encrypted:

12 (i) (i) ~~[(A)]~~ social security number;

13 (ii) (ii) ~~[(B)]~~ driver's license number or
14 government-issued identification number; or

15 (iii) (iii) ~~[(C)]~~ account number or credit or
16 debit card number in combination with any required security code,
17 access code, or password that would permit access to an
18 individual's financial account; or

19 (B) (B) information that identifies an individual
20 and relates to:

21 (i) (i) the physical or mental health or
22 condition of the individual;

23 (ii) (ii) the provision of health care to the
24 individual; or

1 (iii) payment for the provision of health
2 care to the individual.

3 SECTION 2. Section 521.053(a), Business & Commerce Code, as
4 effective April 1, 2009, is amended to read as follows:

5 (a) In this section, "breach of system security" means
6 unauthorized acquisition of computerized data that compromises the
7 security, confidentiality, or integrity of sensitive personal
8 information maintained by a person, including data that is
9 encrypted if the person accessing the data has the key required to
10 decrypt the data. Good faith acquisition of sensitive personal
11 information by an employee or agent of the person for the purposes
12 of the person is not a breach of system security unless the person
13 uses or discloses the sensitive personal information in an
14 unauthorized manner.

15 SECTION 3. Subchapter F, Chapter 2054, Government Code, is
16 amended by adding Section 2054.1125 to read as follows:

17 Sec. 2054.1125. SECURITY BREACH NOTIFICATION BY STATE
18 AGENCY. (a) In this section:

19 (1) "Breach of system security" has the meaning
20 assigned by Section 521.053, Business & Commerce Code.

21 (2) "Sensitive personal information" has the meaning
22 assigned by Section 521.002, Business & Commerce Code.

23 (b) A state agency that owns, licenses, or maintains
24 computerized data that includes sensitive personal information
25 shall comply, in the event of a breach of system security, with the
26 notification requirements of Section 521.053, Business & Commerce
27 Code, to the same extent as a person who conducts business in this

1 state.

2 SECTION 4. Chapter 205, Local Government Code, is amended
3 by adding Section 205.010 to read as follows:

4 Sec. 205.010. SECURITY BREACH NOTIFICATION BY LOCAL
5 GOVERNMENT. (a) In this section:

6 (1) "Breach of system security" has the meaning
7 assigned by Section 521.053, Business & Commerce Code.

8 (2) "Sensitive personal information" has the meaning
9 assigned by Section 521.002, Business & Commerce Code.

10 (b) A local government that owns, licenses, or maintains
11 computerized data that includes sensitive personal information
12 shall comply, in the event of a breach of system security, with the
13 notification requirements of Section 521.053, Business & Commerce
14 Code, to the same extent as a person who conducts business in this
15 state.

16 SECTION 5. The changes in law made by this Act apply only to
17 a breach of system security that occurs on or after the effective
18 date of this Act. A breach of system security that occurs before the
19 effective date of this Act is governed by the law in effect on the
20 date the breach occurred, and the former law is continued in effect
21 for that purpose.

22 SECTION 6. This Act takes effect September 1, 2009.