

By: Farrar

H.B. No. 3750

A BILL TO BE ENTITLED

AN ACT

relating to the destruction of the records of businesses, state and local governments, and nonprofit entities stored on copy machines; providing a civil penalty.

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

SECTION 1. Subchapter A, Chapter 72, Business & Commerce Code, is amended by adding Section 72.005 to read as follows:

Sec. 72.005. DESTRUCTION OF BUSINESS RECORDS OR NONPROFIT ENTITY RECORDS STORED ON COPY MACHINES REQUIRED. (a)
Notwithstanding Section 72.002 or any other law relating to the retention of records, a business or a nonprofit entity shall destroy, or arrange for the destruction of, all business records or records of the nonprofit entity stored on a copy machine before the business or nonprofit entity disposes of or otherwise terminates its ownership of the machine.

(b) Notwithstanding Section 72.002 or any other law relating to the retention of records, a business engaged in the business of leasing copy machines to other persons shall destroy, or arrange for the destruction of, all business records or records of a nonprofit entity stored on a copy machine before the business removes the copy machine from the premises of the other business or nonprofit entity on or after termination of the lease.

(c) A business or nonprofit entity that violates Subsection (a) or (b) is liable to this state for a civil penalty in an amount

1 not to exceed \$1,000 for each violation. The attorney general or a
2 county or district attorney may bring an action to recover the civil
3 penalty imposed under this subsection.

4 (d) This section applies only if personal identifying
5 information or financial information is stored on the copy machine.

6 (e) The comptroller at least annually shall include
7 notification of the requirements of this section in the
8 comptroller's tax policy e-newsletter.

9 (f) In this section, "records," with respect to a nonprofit
10 entity, means any material recorded or preserved by any means.

11 SECTION 2. Chapter 202, Local Government Code, is amended
12 by adding Section 202.010 to read as follows:

13 Sec. 202.010. DESTRUCTION OF RECORDS STORED ON COPY
14 MACHINES REQUIRED. (a) A local government shall destroy, or
15 arrange for the destruction of, all local government records stored
16 on a copy machine before the local government terminates its
17 ownership, lease, or use of the machine.

18 (b) A local government that violates Subsection (a) is
19 liable to this state for a civil penalty in an amount not to exceed
20 \$1,000 for each violation. The attorney general or a county or
21 district attorney may bring an action to recover the civil penalty
22 imposed under this subsection.

23 (c) This section applies only if personal identifying
24 information or financial information is stored on the copy machine.

25 SECTION 3. Section 441.187, Government Code, is amended by
26 adding Subsections (a-1) and (f) to read as follows:

27 (a-1) Notwithstanding Subsections (a), (b), (c), and (d), a

1 state agency shall destroy, or arrange for the destruction of, all
2 state records stored on a copy machine before the agency terminates
3 its ownership, lease, or use of the machine. This subsection
4 applies only if personal identifying information or financial
5 information is stored on the copy machine.

6 (f) A state agency that violates Subsection (a-1) is liable
7 to this state for a civil penalty in an amount not to exceed \$1,000
8 for each violation. The attorney general or a county or district
9 attorney may bring an action to recover the civil penalty imposed
10 under this subsection.

11 SECTION 4. This Act takes effect September 1, 2013.