

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**April 25, 2019**

**TO:** Honorable Dan Huberty, Chair, House Committee on Public Education

**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE: HB3000** by Talarico (Relating to student data security in public schools.), **Committee Report 1st House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB3000, Committee Report 1st House, Substituted: a negative impact of (\$1,289,919) through the biennium ending August 31, 2021.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

**General Revenue-Related Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2020	(\$362,480)
2021	(\$927,439)
2022	(\$216,000)
2023	(\$216,000)
2024	(\$216,000)

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Savings/(Cost) from General Revenue Fund 1</b>
2020	(\$362,480)
2021	(\$927,439)
2022	(\$216,000)
2023	(\$216,000)
2024	(\$216,000)

**Fiscal Analysis**

The bill would amend the Education Code to require the Texas Education Agency (TEA) to establish and maintain an electronically searchable database that contains information regarding

data breaches reported by school districts. The database would be required to contain the names of districts with data breaches and the number of students affected as public information. The database would also be required to contain detailed information regarding the data breach and any action taken or planned to reduce the damage of the data breach and prevent future data breaches, accessible only to school administrators.

### **Methodology**

Based on information provided by TEA, this analysis estimates it would cost \$362,480 in fiscal year 2020, \$927,439 in fiscal year 2021, and \$216,000 per year thereafter to develop a database accessible to only school district administrators and a database accessible to the public. (See Technology section.)

### **Technology**

TEA estimates it would cost \$80,000 per fiscal year for a risk management application to receive the confidential data accessible only to school district administrators.

TEA further estimates it would cost \$282,480 in fiscal year 2020 and \$847,439 in fiscal year 2021 for initial development of the publicly available, searchable database of data breaches. This analysis assumes it would cost TEA \$136,000 per year beginning in fiscal year 2022 to maintain the database.

### **Local Government Impact**

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

**Source Agencies:** 701 Texas Education Agency

**LBB Staff:** WP, ASa, HL, AM, RC