

1-1 By: Nichols, et al. S.B. No. 15  
1-2 (In the Senate - Filed March 1, 2021; March 3, 2021, read  
1-3 first time and referred to Committee on Transportation;  
1-4 April 9, 2021, reported adversely, with favorable Committee  
1-5 Substitute by the following vote: Yeas 9, Nays 0; April 9, 2021,  
1-6 sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	<u>Nichols</u>	X		
1-10	<u>Seliger</u>	X		
1-11	<u>Alvarado</u>	X		
1-12	<u>Blanco</u>	X		
1-13	<u>Hancock</u>	X		
1-14	<u>Hinojosa</u>	X		
1-15	<u>Kolkhorst</u>	X		
1-16	<u>Perry</u>	X		
1-17	<u>West</u>	X		

1-18 COMMITTEE SUBSTITUTE FOR S.B. No. 15 By: Nichols

1-19 A BILL TO BE ENTITLED  
1-20 AN ACT

1-21 relating to the Texas Consumer Privacy Act Phase I; creating  
1-22 criminal offenses; increasing the punishment for an existing  
1-23 criminal offense.

1-24 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-25 SECTION 1. This Act may be cited as the Texas Consumer  
1-26 Privacy Act Phase I.

1-27 SECTION 2. Section 11.030, Parks and Wildlife Code, is  
1-28 amended by amending Subsections (a) and (c) and adding Subsections  
1-29 (e-1), (e-2), and (e-3) to read as follows:

1-30 (a) The name and address and a telephone, social security,  
1-31 driver's license, bank account, credit card, or charge card number  
1-32 of a person who purchases customer products, licenses, or services  
1-33 from the department may not be disclosed, sold, rented, or traded  
1-34 except as authorized under this section or Section 12.0251.

1-35 (c) The commission by rule shall adopt policies relating to:

1-36 (1) the release of the customer information; and

1-37 (2) the use of the customer information by the  
1-38 department ~~], and~~

1-39 ~~[ (3) the sale of a mailing list consisting of the names  
1-40 and addresses of persons who purchase customer products, licenses,  
1-41 or services].~~

1-42 (e-1) The department may disclose statistical data and  
1-43 compilations of customer information described by Subsection (a) if  
1-44 the information does not reveal information identifying a specific  
1-45 department customer or a department customer's address, telephone  
1-46 number, social security number, or driver's license number.

1-47 (e-2) The department may disclose customer information  
1-48 described by Subsection (a):

1-49 (1) to another governmental body, including a law  
1-50 enforcement entity, as needed to carry out a governmental purpose;

1-51 (2) if the customer that is the subject of the  
1-52 information consents in writing to the specific disclosure; or

1-53 (3) if the information is:

1-54 (A) part of a record that is considered to be a  
1-55 public record under Section 31.039; or

1-56 (B) authorized to be disclosed under Section  
1-57 31.0391.

1-58 (e-3) This section does not authorize the department to  
1-59 disclose information the department is prohibited from disclosing  
1-60 by other law.

2-1 SECTION 3. Section 204.011(a), Transportation Code, is  
 2-2 amended to read as follows:

2-3 (a) ~~The [Except as provided by this section or a rule~~  
 2-4 ~~adopted by the commission under this section, the]~~ department may  
 2-5 not disclose to any person the name, address, telephone number,  
 2-6 social security account number, driver's license number, bank  
 2-7 account number, credit or debit card number, or charge account  
 2-8 number of a person who:

2-9 (1) is or has been a subscriber to "Texas Highways"; or

2-10 (2) has purchased from the department a promotional  
 2-11 item described by Section 204.009.

2-12 SECTION 4. Section 521.0475(a), Transportation Code, is  
 2-13 amended to read as follows:

2-14 (a) Except as provided by Subsection (b), the department  
 2-15 shall provide a certified abstract of a complete driving record of a  
 2-16 license holder, for a fee of \$20, to the license holder or a person  
 2-17 eligible to receive the information under Sections  
 2-18 730.007(a)(2)(A), (B), and (G) [~~Sections 730.007(a)(2)(A), (D),~~  
 2-19 ~~and (I)~~].

2-20 SECTION 5. Section 548.601(a), Transportation Code, is  
 2-21 amended to read as follows:

2-22 (a) A person, including an inspector or an inspection  
 2-23 station, commits an offense if the person:

2-24 (1) submits information to the department's inspection  
 2-25 database or issues a vehicle inspection report with knowledge that  
 2-26 the submission or issuance is in violation of this chapter or rules  
 2-27 adopted under this chapter;

2-28 (2) falsely or fraudulently represents to the owner or  
 2-29 operator of a vehicle that equipment inspected or required to be  
 2-30 inspected must be repaired, adjusted, or replaced for the vehicle  
 2-31 to pass an inspection;

2-32 (3) misrepresents:

2-33 (A) material information in an application in  
 2-34 violation of Section 548.402 or 548.403; or

2-35 (B) information filed with the department under  
 2-36 this chapter or as required by department rule;

2-37 (4) submits information to the department's inspection  
 2-38 database or issues a vehicle inspection report:

2-39 (A) without authorization to issue the report or  
 2-40 submit the information; or

2-41 (B) without inspecting the vehicle;

2-42 (5) submits information to the department's inspection  
 2-43 database indicating that a vehicle has passed the applicable  
 2-44 inspections or issues a passing vehicle inspection report for a  
 2-45 vehicle with knowledge that the vehicle has not been repaired,  
 2-46 adjusted, or corrected after an inspection has shown a repair,  
 2-47 adjustment, or correction to be necessary;

2-48 (6) knowingly submits information to the department's  
 2-49 inspection database or issues a vehicle inspection report:

2-50 (A) for a vehicle without conducting an  
 2-51 inspection of each item required to be inspected; or

2-52 (B) for a vehicle that is missing an item  
 2-53 required to be inspected or that has an item required to be  
 2-54 inspected that is not in compliance with state law or department  
 2-55 rules;

2-56 (7) refuses to allow a vehicle's owner to have a  
 2-57 qualified person of the owner's choice make a required repair,  
 2-58 adjustment, or correction;

2-59 (8) charges for an inspection an amount greater than  
 2-60 the authorized fee;

2-61 (9) discloses or sells information about a customer,  
 2-62 vehicle owner, or vehicle to a person other than the department or  
 2-63 the person who is the subject of the information, including a  
 2-64 vehicle identification number, vehicle mileage, or vehicle  
 2-65 inspection report, or a customer or vehicle owner's name, address,  
 2-66 or phone number; or

2-67 (10) [~~(9)~~] performs an act prohibited by or fails to  
 2-68 perform an act required by this chapter or a rule adopted under this  
 2-69 chapter.

3-1 SECTION 6. Section 730.003, Transportation Code, is amended  
3-2 by adding Subdivisions (1-a) and (1-b) and amending Subdivision (6)  
3-3 to read as follows:

3-4 (1-a) "Aggregate report" means a report created in  
3-5 response to a request for motor vehicle records by combining  
3-6 individual motor vehicle records into cross-tabulated subtotals  
3-7 using defined geographic zones that are at least as large as a zip  
3-8 code but not larger than a county.

3-9 (1-b) "Authorized recipient" means a person who is  
3-10 eligible to receive personal information directly from an agency in  
3-11 a manner authorized by this chapter.

3-12 (6) "Personal information" means information that  
3-13 identifies a person, including an individual's photograph or  
3-14 computerized image, social security number, date of birth, ~~[driver]~~  
3-15 identification number, name, address, but not the zip code, e-mail  
3-16 address, telephone number, and medical or disability information.  
3-17 The term does not include:

3-18 (A) information on vehicle accidents, driving or  
3-19 equipment-related violations, or driver's license or registration  
3-20 status; or

3-21 (B) information contained in an accident report  
3-22 prepared under:

- 3-23 (i) Chapter 550; or
- 3-24 (ii) former Section 601.004 before  
3-25 September 1, 2017.

3-26 SECTION 7. Section 730.006, Transportation Code, is amended  
3-27 to read as follows:

3-28 Sec. 730.006. REQUIRED DISCLOSURE WITH CONSENT. Personal  
3-29 information obtained by an agency in connection with a motor  
3-30 vehicle record shall be disclosed to a requestor who:

- 3-31 (1) is the subject of the information; or
- 3-32 (2) demonstrates, in such form and manner as the  
3-33 agency requires, that the requestor has obtained the written  
3-34 consent of the person who is the subject of the information.

3-35 SECTION 8. The heading to Section 730.007, Transportation  
3-36 Code, is amended to read as follows:

3-37 Sec. 730.007. PERMITTED DISCLOSURES OF CERTAIN PERSONAL  
3-38 INFORMATION.

3-39 SECTION 9. Section 730.007, Transportation Code, is amended  
3-40 by amending Subsection (a) and adding Subsection (b-1) to read as  
3-41 follows:

3-42 (a) Personal information obtained by an agency in  
3-43 connection with a motor vehicle record may be disclosed to any  
3-44 requestor by an agency if the requestor:

- 3-45 (1) provides the requestor's name and address and any  
3-46 proof of that information required by the agency; and
- 3-47 (2) represents that the use of the personal  
3-48 information will be strictly limited to:

3-49 (A) use by the Texas Department of Motor  
3-50 Vehicles, the Department of Public Safety, the Texas Department of  
3-51 Transportation, a ~~+~~

3-52 ~~[(i) a government agency, including any]~~  
3-53 ~~court, or a law enforcement agency, in carrying out its functions;~~  
3-54 ~~[or~~

3-55 ~~[(ii) a private person or entity acting on~~  
3-56 ~~behalf of a government agency in carrying out the functions of the~~  
3-57 ~~agency,]~~

3-58 (B) ~~[use in connection with a matter of:~~

3-59 ~~[(i) motor vehicle or motor vehicle~~  
3-60 ~~operator safety,~~

3-61 ~~[(ii) motor vehicle theft,~~

3-62 ~~[(iii) motor vehicle product alterations,~~  
3-63 ~~recalls, or advisories,~~

3-64 ~~[(iv) performance monitoring of motor~~  
3-65 ~~vehicles, motor vehicle parts, or motor vehicle dealers,~~

3-66 ~~[(v) motor vehicle market research~~  
3-67 ~~activities, including survey research, or~~

3-68 ~~[(vi) removal of nonowner records from the~~  
3-69 ~~original owner records of motor vehicle manufacturers,~~

4-1 ~~[(C) use in the normal course of business by a~~  
4-2 ~~legitimate business or an authorized agent of the business, but~~  
4-3 ~~only:~~  
4-4 ~~[(i) to verify the accuracy of personal~~  
4-5 ~~information submitted by the individual to the business or the~~  
4-6 ~~agent of the business; and~~  
4-7 ~~[(ii) if the information is not correct, to~~  
4-8 ~~obtain the correct information, for the sole purpose of preventing~~  
4-9 ~~fraud by, pursuing a legal remedy against, or recovering on a debt~~  
4-10 ~~or security interest against the individual;~~  
4-11 ~~[(D)] use in conjunction with a civil, criminal,~~  
4-12 ~~administrative, or arbitral proceeding in any court or government~~  
4-13 ~~agency or before any self-regulatory body, including service of~~  
4-14 ~~process, investigation in anticipation of litigation, execution or~~  
4-15 ~~enforcement of a judgment or order, or under an order of any court;~~  
4-16 (C) [(E)] use in research or in producing  
4-17 statistical reports, but only if the personal information is not  
4-18 published, redisclosed, or used to contact any individual;  
4-19 (D) [(F)] use by an insurer, [or] insurance  
4-20 support organization, or [by a] self-insured entity, or an  
4-21 authorized agent of an insurer, insurance support organization, or  
4-22 self-insured entity [the entity], in connection with claims  
4-23 processing or investigation activities, antifraud activities,  
4-24 rating, or underwriting;  
4-25 (E) [(G)] use in providing notice to an owner of  
4-26 a vehicle that was towed or impounded and is in the possession of a  
4-27 vehicle storage facility;  
4-28 (F) [(H)] use by a licensed private investigator  
4-29 agency or licensed security service for a purpose permitted under  
4-30 this section;  
4-31 (G) [(I)] use by an employer or an agent or  
4-32 insurer of the employer to obtain or verify information relating to  
4-33 a holder of a commercial driver's license that is required under 49  
4-34 U.S.C. Chapter 313;  
4-35 (H) [(J)] use in connection with the operation of  
4-36 a [private] toll transportation facility;  
4-37 (I) [(K)] use by a consumer reporting agency, as  
4-38 defined by the Fair Credit Reporting Act (15 U.S.C. Section 1681 et  
4-39 seq.), for a purpose permitted under that Act;  
4-40 (J) use by an agent of a motor vehicle  
4-41 manufacturer, dealership, or distributor for issuing notifications  
4-42 concerning motor vehicle alterations, recalls, or advisories; or  
4-43 (K) if the information is obtained from the Texas  
4-44 Department of Motor Vehicles in connection with individual  
4-45 transactions, use in the ordinary course of business by a person or  
4-46 authorized agent of a person who:  
4-47 (i) holds a salvage vehicle dealer license  
4-48 issued under Chapter 2302, Occupations Code;  
4-49 (ii) holds an independent motor vehicle  
4-50 dealer or wholesale motor vehicle auction general distinguishing  
4-51 number issued under Chapter 503 of this code;  
4-52 (iii) holds a used automotive parts  
4-53 recycler license issued under Chapter 2309, Occupations Code; or  
4-54 (iv) is licensed by, registered with, or  
4-55 subject to regulatory oversight by the Texas Department of Motor  
4-56 Vehicles, the Texas Department of Banking, the Department of  
4-57 Savings and Mortgage Lending, the Credit Union Department, the  
4-58 Office of Consumer Credit Commissioner, the Texas Department of  
4-59 Insurance, the Board of Governors of the Federal Reserve System,  
4-60 the Office of the Comptroller of the Currency, the Federal Deposit  
4-61 Insurance Corporation, or the National Credit Union Administration  
4-62 ~~[(L) use for any other purpose specifically~~  
4-63 ~~authorized by law that relates to the operation of a motor vehicle~~  
4-64 ~~or to public safety].~~  
4-65 (b-1) Any agency may disclose personal information  
4-66 requested under Subsection (a)(2)(C) only in the form of an  
4-67 aggregate report.  
4-68 SECTION 10. Chapter 730, Transportation Code, is amended by  
4-69 adding Sections 730.0121, 730.0122, and 730.0123 to read as

5-1 follows:

5-2 Sec. 730.0121. DELETION OF INFORMATION REQUIRED IF NOT  
 5-3 AUTHORIZED RECIPIENT. An agency by rule shall require a requestor  
 5-4 to delete from the requestor's records personal information  
 5-5 received from the agency under this chapter if the requestor  
 5-6 becomes aware that the requestor is not an authorized recipient of  
 5-7 that information.

5-8 Sec. 730.0122. SALE PROHIBITED. (a) A person may not sell  
 5-9 to a person who is not an authorized recipient personal information  
 5-10 obtained by an agency in connection with a motor vehicle record.

5-11 (b) A person commits an offense if the person violates  
 5-12 Subsection (a). An offense under this subsection is a misdemeanor  
 5-13 punishable by a fine not to exceed \$100,000.

5-14 Sec. 730.0123. CIVIL SUIT. (a) A person who sells to a  
 5-15 person who is not an authorized recipient personal information  
 5-16 obtained by an agency in connection with a motor vehicle record is  
 5-17 liable to the person who is the subject of the information for:

5-18 (1) actual damages;

5-19 (2) if the actual damages to the person are less than  
 5-20 \$2,500, an additional amount so that the total amount of damages  
 5-21 equals \$2,500; and

5-22 (3) court costs incurred by the person who is the  
 5-23 subject of the information in bringing the action.

5-24 (b) A person whose personal information has been sold to a  
 5-25 person who is not an authorized recipient may sue for:

5-26 (1) the damages, costs, and fees authorized under  
 5-27 Subsection (a);

5-28 (2) injunctive relief; and

5-29 (3) any other equitable remedy determined to be  
 5-30 appropriate by the court.

5-31 (c) A district court has exclusive original jurisdiction  
 5-32 over a cause of action brought under this section.

5-33 SECTION 11. Section 730.013, Transportation Code, is  
 5-34 amended to read as follows:

5-35 Sec. 730.013. [~~RESALE OR~~] REDISCLOSURE; OFFENSE. (a) An  
 5-36 authorized recipient of personal information may not [~~resell or~~]  
 5-37 redisclose the personal information in the identical or a  
 5-38 substantially identical format the personal information was  
 5-39 disclosed to the recipient by the applicable agency.

5-40 (b) An authorized recipient of personal information may  
 5-41 [~~resell or~~] redisclose the information only for a use permitted  
 5-42 under Section 730.007.

5-43 (c) An [~~Any~~] authorized recipient who [~~resells or~~]  
 5-44 rediscloses personal information obtained from an agency shall be  
 5-45 required by that agency to:

5-46 (1) maintain for a period of not less than five years  
 5-47 records as to any person or entity receiving that information and  
 5-48 the permitted use for which it was obtained; and

5-49 (2) provide copies of those records to the agency on  
 5-50 request.

5-51 (c-1) A person who receives personal information from an  
 5-52 authorized recipient may not redisclose the personal information to  
 5-53 a person who is not an authorized recipient.

5-54 (c-2) An authorized recipient shall notify each person who  
 5-55 receives personal information from the authorized recipient that  
 5-56 the person may not redisclose the personal information to a person  
 5-57 who is not an authorized recipient.

5-58 (d) A person commits an offense if the person violates this  
 5-59 section. An offense under this subsection is a misdemeanor  
 5-60 punishable by a fine not to exceed \$100,000 per record of personal  
 5-61 information that is a subject of the violation [~~\$25,000~~].

5-62 SECTION 12. The heading to Section 730.016, Transportation  
 5-63 Code, is amended to read as follows:

5-64 Sec. 730.016. INELIGIBILITY OF CERTAIN PERSONS TO RECEIVE,  
 5-65 RETAIN, OR REDISCLOSE PERSONAL INFORMATION; OFFENSE.

5-66 SECTION 13. Section 730.016, Transportation Code, is  
 5-67 amended by amending Subsection (a) and adding Subsection (c) to  
 5-68 read as follows:

5-69 (a) A person who is convicted of an offense under this

6-1 chapter, or who violates a rule adopted by an agency relating to the  
6-2 terms or conditions for a release of personal information to the  
6-3 person:

6-4 (1) [7] is ineligible to receive personal information  
6-5 under Section 730.007;

6-6 (2) not later than one year after the date of  
6-7 conviction or of the agency's final determination of a rule  
6-8 violation, shall delete from the person's records all personal  
6-9 information received under this chapter; and

6-10 (3) may not redisclose personal information received  
6-11 under this chapter.

6-12 (c) A person commits an offense if the person violates this  
6-13 section. An offense under this subsection is a misdemeanor  
6-14 punishable by a fine not to exceed \$100,000 per record of personal  
6-15 information that is a subject of the violation.

6-16 SECTION 14. The following provisions are repealed:

6-17 (1) Section 11.030(d), Parks and Wildlife Code; and

6-18 (2) Sections 204.011(c) and (d), Transportation Code.

6-19 SECTION 15. The changes in law made by this Act apply only  
6-20 to an offense committed on or after the effective date of this Act.  
6-21 An offense committed before the effective date of this Act is  
6-22 governed by the law in effect on the date the offense was committed,  
6-23 and the former law is continued in effect for that purpose. For  
6-24 purposes of this section, an offense was committed before the  
6-25 effective date of this Act if any element of the offense occurred  
6-26 before that date.

6-27 SECTION 16. (a) Section 730.0121, Transportation Code, as  
6-28 added by this Act, applies to a person who received personal  
6-29 information under Chapter 730, Transportation Code, before the  
6-30 effective date of this Act, and is not an authorized recipient of  
6-31 that personal information under Chapter 730, Transportation Code,  
6-32 as amended by this Act.

6-33 (b) Notwithstanding Subsection (a) of this section, an  
6-34 agency to which Section 730.0121, Transportation Code, as added by  
6-35 this Act, applies may not require a person who received personal  
6-36 information from the agency before the effective date of this Act  
6-37 and is not an authorized recipient, as defined by Section  
6-38 730.003(1-b), Transportation Code, as added by this Act, of that  
6-39 information to delete the information before the first anniversary  
6-40 of the effective date of this Act.

6-41 SECTION 17. This Act takes effect immediately if it  
6-42 receives a vote of two-thirds of all the members elected to each  
6-43 house, as provided by Section 39, Article III, Texas Constitution.  
6-44 If this Act does not receive the vote necessary for immediate  
6-45 effect, this Act takes effect September 1, 2021.

6-46 \* \* \* \* \*