

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

**FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION**

**April 17, 2023**

**TO:** Honorable Charles Schwertner, Chair, Senate Committee on Business & Commerce

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: SB2105** by Johnson (Relating to the regulation of third-party data collection entities; providing a civil penalty and authorizing a fee.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

This bill would amend the Business & Commerce Code to require third-party data brokers conducting business in Texas to register annually with the Secretary of State (SOS) at a fee of \$300. The SOS would be required to provide a searchable central registry of these entities on the agency website including a search feature for certain specified data fields. The bill would also require SOS to establish a mechanism to process do-not-collect requests from individuals and communicate these requests to all registered data brokers.

It is assumed that costs related to the one-time development of the required SOS database capable of maintaining these records could be addressed within existing resources.

The amount of General Revenue generated by the statutory registration fee cannot be determined at this time as the number of potential third-party data broker registrants is indeterminate.

According to the Office of Court Administration, potential civil actions resulting from the bill are not anticipated to have a significant fiscal impact on the state court system.

According to the Office of the Attorney General, there would be no significant fiscal impact to the office.

**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, 307 Secretary of State

**LBB Staff:** JMc, SZ, LCO, GP, NV, HGR