

**BILL ANALYSIS**

C.S.S.B. 2121  
By: Johnson  
Trade, Workforce & Economic Development  
Committee Report (Substituted)

**BACKGROUND AND PURPOSE**

The bill sponsor has informed the committee that state law relating to data brokers contains a discrepancy between the definition of data broker and the statutes that establish the applicability of such law. The bill sponsor has also informed the committee that data brokers have attempted to use this textual discrepancy to argue that the law does not apply to them, which harms consumers and decreases vital transparency measures, and that the Office of the Attorney General has requested these errors to be corrected. C.S.S.B. 2121 seeks to correct the discrepancy so the law applies to the intended companies and is applied as originally intended.

**CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

**RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

**ANALYSIS**

C.S.S.B. 2121 amends the Business & Commerce Code to change the definition of "data broker" for purposes of applicable provisions from a business entity whose principal source of revenue is derived from the collecting, processing, or transferring of personal data that the entity did not collect directly from the individual linked or linkable to the data to a business entity that collects, processes, or transfers personal data that the business entity did not collect directly from the individual linked or linkable to the data.

C.S.S.B. 2121 specifies that, with respect to provisions establishing the applicability of Business & Commerce Code provisions relating to data brokers, a data broker's revenue from processing or transferring personal data that the data broker did not collect directly from the individuals to whom the data pertains, is revenue directly from such processing and transferring.

C.S.S.B. 2121 establishes that it is the intent of the 89th Legislature, Regular Session, 2025, that the amendments by the bill be harmonized with another act of that legislative session relating to nonsubstantive additions to and corrections in enacted codes.

**EFFECTIVE DATE**

September 1, 2025.

**COMPARISON OF SENATE ENGROSSED AND SUBSTITUTE**

While C.S.S.B. 2121 may differ from the engrossed in minor or nonsubstantive ways, the following summarizes the substantial differences between the engrossed and committee substitute versions of the bill.

The substitute specifies that a data broker's revenue from processing and transferring certain personal data is revenue directly from processing or transferring that personal data, whereas the engrossed did not make that specification.