

By: \_\_\_\_\_ .B. No. \_\_\_\_\_

Substitute the following for \_\_\_\_ .B. No. \_\_\_\_ :

By: \_\_\_\_\_ C.S. \_\_\_\_ .B. No. \_\_\_\_\_

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the privacy of personal identifying information;  
3 creating the Texas Privacy Protection Advisory Council.

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

5 SECTION 1. Section 521.053, Business & Commerce Code, is  
6 amended by amending Subsection (b) and adding Subsection (i) to  
7 read as follows:

8 (b) A person who conducts business in this state and owns or  
9 licenses computerized data that includes sensitive personal  
10 information shall disclose any breach of system security, after  
11 discovering or receiving notification of the breach, to any  
12 individual whose sensitive personal information was, or is  
13 reasonably believed to have been, acquired by an unauthorized  
14 person. The disclosure shall be made without unreasonable delay  
15 and in each case not later than the 60th day after the date on  
16 which the person determines that the breach occurred [~~as quickly~~  
17 ~~as possible~~], except as provided by Subsection (d) or as necessary  
18 to determine the scope of the breach and restore the reasonable  
19 integrity of the data system.

20 (i) A person who is required to disclose or provide  
21 notification of a breach of system security under this section  
22 shall notify the attorney general of that breach if the breach  
23 involves at least 250 residents of this state. The notification  
24 under this subsection must include:

1           (1) a detailed description of the nature and  
2 circumstances of the breach or the use of sensitive personal  
3 information acquired as a result of the breach;

4           (2) the number of residents of this state affected by  
5 the breach at the time of notification;

6           (3) the measures taken by the person regarding the  
7 breach;

8           (4) any measures the person intends to take regarding  
9 the breach after the notification under this subsection; and

10           (5) information regarding whether law enforcement is  
11 engaged in investigating the breach.

12           SECTION 2. (a) In this section, "council" means the Texas  
13 Privacy Protection Advisory Council created under this section.

14           (b) The Texas Privacy Protection Advisory Council is created  
15 to study data privacy laws in this state, other states, and  
16 relevant foreign jurisdictions.

17           (c) The council shall be composed of:

18                 (1) five members of the house of representatives  
19 appointed by the speaker of the house of representatives;

20                 (2) five senators appointed by the lieutenant governor;  
21 and

22                 (3) five members of industry who are residents of this  
23 state appointed by the governor as follows:

24                         (A) one member representing the retail and  
25 electronic transaction industry;

26                         (B) one member representing the telecommunications  
27 industry;

1           (C) one member representing the consumer data  
2 analytics industry;

3           (D) one member representing the advertising  
4 industry; and

5           (E) one member representing the internet service  
6 provider industry.

7           (d) The speaker of the house of representatives and the  
8 lieutenant governor shall each designate a co-chair from among  
9 their respective appointments to the council.

10          (e) The council shall convene on a regular basis at the joint  
11 call of the co-chairs.

12          (f) The council created by this section shall:

13           (1) study and evaluate the laws in this state, other  
14 states, and relevant foreign jurisdictions that govern the privacy  
15 and protection of information that alone or in conjunction with  
16 other information identifies or is linked or reasonably linkable  
17 to a specific individual, technological device, or household; and

18           (2) make recommendations to the members of the  
19 legislature on specific statutory changes regarding the privacy  
20 and protection of that information, including changes to Chapter  
21 521, Business & Commerce Code, as amended by this Act, or to the  
22 Penal Code, that appear necessary from the results of the council's  
23 study under this section.

24          (g) Not later than December 1, 2020, the council created by  
25 this section shall report the council's findings and  
26 recommendations to the members of the legislature.

27          (h) Not later than the 60th day after the effective date of

1 this Act, the speaker of the house of representatives, the  
2 lieutenant governor, and the governor shall appoint the members of  
3 the council created under this section.

4 (i) The council created under this section is abolished and  
5 this section expires December 31, 2020.

6 SECTION 3. This Act takes effect September 1, 2019.