

## FISCAL NOTE

### SB 3425 - HB 3619

March 2, 2006

**SUMMARY OF BILL:** Makes it an unfair or deceptive act or practice under the *Tennessee Consumer Protection Act of 1977* for any public or private entity to fail to disclose any breach of the security of computerized data that includes personal consumer information. A violation is punishable as a Class B misdemeanor, through the levying of civil penalties and through private rights of action.

#### **ESTIMATED FISCAL IMPACT:**

**Increase State Revenues – Not Significant**

**Increase State Expenditures – Not Significant**

**Increase Local Govt. Revenues – Not Significant**

**Increase Local Govt. Expenditures – Not Significant**

Assumptions:

- A not significant increase in state revenues from the collection of civil penalties.
- A not significant increase in state expenditures to implement and monitor the provisions of this bill.
- There will not be a sufficient number of prosecutions for local governments to experience any significant increase in revenues or expenditures.
- Some increase in cases in the court system, through private rights of action, which will result in additional state and local government expenditures for processing cases and additional state and local government revenues from fees, taxes and costs collected. However, such increases will not be significant.

#### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director