

BILL ANALYSIS

Senate Research Center
77R3760 JD-F

S.B. 604
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Business & Commerce
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DIGEST AND PURPOSE

The new federal law on financial modernization, also known as the Gramm-Leach-Bliley Act (GLBA), permits affiliations among financial institutions, banks, and insurance companies and calls for functional regulation by federal and state agencies. As a result, both federal and state regulators may need access to the same confidential information. As proposed, S.B. 604 allows federal and state regulators to share confidential information, which would remain confidential even when shared, rather than forcing each regulator to independently obtain information or separately examine a regulated entity.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 552C, Government Code, by adding Section 552.1015, as follows:

Sec. 552.1015. EFFECT OF DISCLOSURE OF CONFIDENTIAL OR CERTAIN EXCEPTED INFORMATION BY CERTAIN STATE GOVERNMENTAL BODIES. (a) Provides that this section applies only to information held by a governmental body defined by Section 552.003(1)(A)(i).

(b) Provides that a disclosure of confidential information, as described by Section 552.101, by a governmental body to another governmental body of this state or to an agency or instrumentality of another state, the United States, or another country, is not a violation of Section 552.352 or any other law of this state that prohibits the release or disclosure of the information, does not affect the confidentiality of the information, is not considered a release of information to the public for purposes of Section 552.007, and is not a waiver of any privilege applicable to the information under law.

(c) Provides that a disclosure by a governmental body of information that is excepted from the requirements of Section 552.021 by this chapter to an entity described by Subsection (b) does not affect the continuing applicability of the relevant exception from disclosure, is not considered a release of information to the public for purposes of Section 552.007, and is not a waiver of any privilege applicable to the information under law.

(d) Requires an officer for public information of a governmental body who receives a request for information covered by this section to assert that the information is confidential or excepted from the requirements of Section 552.021.

SECTION 2. Effective date: upon passage or September 1, 2001.