

BILL ANALYSIS

H.B. 2282
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Pensions, Investments & Financial Services
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Many financial institutions use a number of authentication credentials to identify consumers and protect against fraud, such as date of birth, mother's maiden name, and social security number. It has been suggested that biometric identifiers, such as facial, finger, and voice ID, and behavioral biometrics, such as keystroke and swipe patterns, offer more security for financial institutions seeking to limit fraud and enhance protections for consumers. H.B. 2282 seeks to encourage adoption of innovative security measures by exempting financial institutions from certain limitations relating to the use of biometric identifiers.

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

H.B. 2282 amends the Business & Commerce Code to make the exemption of voiceprint data retained by a financial institution or an affiliate defined by the federal Gramm-Leach-Bliley Act from statutory limitations on the capture and use of biometric identifiers apply instead generally to such a financial institution or affiliate subject to that act.

EFFECTIVE DATE

September 1, 2019.