

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 141
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Jurisprudence
4/4/2003
Committee Report (Substituted)

DIGEST AND PURPOSE

Currently, legal barriers prevent or protect information sharing related to corporate fraud investigations. C.S.S.B. 141 allows the Board of Accountancy, the Office of the Attorney General, the State Securities Board, the Texas Department of Insurance, and the Public Utility Commission to share information on corporate fraud investigations, while maintaining current law with respect to the confidentiality of corporate documents.

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 555, Government Code, by adding Subchapter C, as follows:

SUBCHAPTER C. SHARING CONFIDENTIAL INFORMATION

Sec. 555.051. INFORMATION SHARING AMONG CERTAIN AGENCIES. (a) Provides that this section applies only to information held by or for the office of the attorney general, the Texas Department of Insurance, the Texas State Board of Public Accountancy, the Public Utility Commission of Texas, or the State Securities Board that relates to the possible commission of corporate fraud by a person who is licensed or otherwise regulated by any of those state agencies. Defines "corporate fraud" as used in this section.

(b) Authorizes each agency listed above upon request to share confidential information or information restricted by law with one or more of the other listed agencies for investigative purposes. Provides that any shared confidential information remains confidential, and legal restrictions on access to the information remain in effect.

(c) Requires a state agency that receives shared information to keep the information secure and limit access to the information within the agency to agency personnel who need access. Sets forth the purpose for which a state agency may disclose said information to another agency listed in Subsection (a).

SECTION 2. Amends the heading to Chapter 555, Government Code, to read as follows:

CHAPTER 555. STATE AGENCY RECORDS RELATING TO LICENSE HOLDERS OR OTHER REGULATED PERSONS

SECTION 3. Effective date: upon passage or September 1, 2003.

SUMMARY OF COMMITTEE CHANGES

SECTION 1. Differs from the original by adding new language to proposed Section 555.051(a), Government Code.