

Fiscal Estimate - 2023 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 23-4554/1	Introduction Number SB-0538
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Description
 software security measures for text messages, granting rule-making authority, and providing a penalty

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<input checked="" type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

Local:

<input type="checkbox"/> No Local Government Costs		
<input type="checkbox"/> Indeterminate		
1. <input type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	

Agency/Prepared By	Authorized Signature	Date
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Fiscal Estimate Narratives

DATCP 12/15/2023

LRB Number	23-4554/1	Introduction Number	SB-0538	Estimate Type	Original
Description software security measures for text messages, granting rule-making authority, and providing a penalty					

Assumptions Used in Arriving at Fiscal Estimate

The bill requires texting software providers to ensure certain encryption and notification features when persons send or receive text messages. The bill does this by specifying requirements for texting software providers. The department and the Attorney General's office may enforce the law and engage in rulemaking if necessary.

This will be a new area of consumer protection for the department and consumers. Therefore, the department is unable to determine the number of complaints it may receive from consumers about the providers' compliance with the requirements. Regardless, the department will need to educate both industry and consumers on new regulations and would absorb that temporary increase in workload.

If the bill passes, as stated, it would be a new area of enforcement without existing rules. The department would likely need to promulgate rules as authorized, and it would shift priorities of existing staff to draft those rules.

Long-Range Fiscal Implications

Depending on the number of complaints and the need to initiate investigations into providers complying with the statutory requirements, the department may need to hire or contract with technical experts in software and data evaluation.