

**Department of Planning and Budget
2007 Fiscal Impact Statement**

1. Bill Number: HB2600

House of Origin Introduced Substitute Engrossed

Second House In Committee Substitute Enrolled

2. Patron: Plum

3. Committee: Commerce and Labor

4. Title: Personal information privacy; protection of disposed records; penalty

5. Summary/Purpose: The bill requires businesses to take all reasonable measures to protect against unauthorized access to or use of personal information in connection with or after its disposal. Reasonable measures include policies and procedures requiring the burning, pulverizing or shredding of papers containing personal information so that the information cannot be read or reconstructed and the destruction or erasure of electronic media so that the information cannot be read or reconstructed. A violation constitutes a prohibited practice under the Virginia Consumer Protection Act.

6. No fiscal impact.

7. Budget amendment necessary: No.

8. Fiscal implications: In addition to providing for damage awards to individuals, the Virginia Consumer Protection Act also provides for civil penalties and attorney's fees. Those penalties can be of up to \$2,500 per violation and go to the Literary Fund. If a person violates an assurance of voluntary compliance or an injunction issued pursuant to the Act, he can be subject to a civil penalty of up to \$5,000 per violation, which also go to the Literary Fund. In addition, the authorities prosecuting the case may recover additional costs for investigative expenses and attorney's fees. The additional costs go into the general fund of the Commonwealth or the corresponding locality.

9. Specific agency or political subdivisions affected: Department of Agriculture and Consumer Services

10. Technical amendment necessary: No.

11. Other comments: None.

Date: 1/19/07 kbs

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cc: Secretary of Agriculture and Forestry