

Texas Business & Commerce Code Chapter 521

Texas Business and Commerce Code Chapter 521 requires businesses to protect personal information and report breaches to prevent identity theft.



What it is

U.S. Texas Business & Commerce Code Chapter 521 (TX BC521), also known as the Identity Theft Enforcement and Protection Act, is a state-level data protection regulation that helps organizations safeguard personal identifying information and prevent identity theft. The law establishes required measures for businesses to secure sensitive data belonging to Texas residents and defines protocols for breach notification and remediation.

TX BC521 is published by the Texas Legislature and applies to entities that collect, possess, or maintain personal information about individuals in Texas. It is utilized by a wide range of organizations—including businesses, government agencies, and service providers—to enhance privacy practices, ensure effective breach response, and support regulatory compliance efforts related to data protection and cybersecurity controls.

At a glance

PUBLISHER Texas Legislature (Texas Legislative Council) ([guides.sll.texas.gov](https://guides.sll.texas.gov/texas-law/statutes?utm_source=openai))	TYPE Regulation	VERSION 2005
EFFECTIVE April 1, 2009	DOMAIN Privacy	FAMILY Global Privacy Regulations
REGION Texas	ADOPTION MODEL Regulatory Compliance	IMPLEMENTATION COMPLEXITY Moderate

Source: <https://statutes.capitol.texas.gov/Docs/BC/htm/BC.521.htm>

Why it matters

- **Strengthen personal data protection** Implement required safeguards to protect sensitive customer information and reduce the risk of data breaches.
- **Enhance incident response preparedness** Mandate structured response and notification processes to help organizations act swiftly in the event of data compromise.
- **Improve regulatory compliance posture** Align data management and privacy practices with Texas law, supporting adherence to both state and federal regulations.
- **Increase customer trust and confidence** Demonstrate a commitment to responsible data stewardship, enhancing public trust and organizational reputation among stakeholders.

How SmartSuite supports Tex. Bus. & Com. Code Ch. 521

Personal Information Protection Controls Structure safeguards for protecting sensitive personal information, including encryption, access control, and secure storage.	Texas Data Protection Data Inventory Track personal data types, storage locations, and systems subject to Texas data protection requirements.	Risk Assessment and Safeguard Implementation Manage risk assessments and track implementation of administrative, technical, and physical security measures.
Personal Information Access and Security Manage user access, authentication, and secure handling of personal information across systems.	Incident and Notification Timeline Management Track incidents and manage notification timelines for affected individuals and regulatory requirements.	Texas Identity Protection Compliance Reporting Provide dashboards showing data protection posture, breach readiness, and compliance with Texas identity protection obligations.

Common framework mappings

SOC 2

CIS Controls v8.1

GDPR

HIPAA (NIST SP 800-66 Rev. 2)

ISO 27001:2022

NIST CSF 2.0

NIST 800-53 Rev.5

PCI DSS 4.0.1

CCPA/CPRA

Official resources

Texas Business & Commerce Code Chapter 521

Provides the official legal text of the Texas Identity Theft Enforcement and Protection Act.

statutes.capitol.texas.gov/Docs/BC/htm/BC.521.htm

Frequently asked questions

What is Texas Business & Commerce Code Chapter 521 used for?

The Texas Business & Commerce Code Chapter 521, also known as the Identity Theft Enforcement and Protection Act (ITEPA), is used to protect individuals' personal identifying information and address identity theft concerns. It establishes requirements for businesses regarding the safeguarding, use, and disclosure of sensitive personal information. The law supports both prevention and enforcement against identity theft activities in Texas.

Is compliance with Chapter 521 mandatory for organizations?

Yes, compliance with Texas Business & Commerce Code Chapter 521 is mandatory for any business operating in Texas that collects, possesses, or maintains personal identifying information about Texas residents. Failure to comply can result in civil penalties and enforcement actions brought by the Texas Attorney General.

What organizations or data does Chapter 521 apply to?

Chapter 521 applies to any individual, business, or governmental agency that handles "sensitive personal information" of Texas residents. This includes, but is not limited to, financial institutions, healthcare providers, retailers, and service providers who maintain computerized data containing personal information.

What are the key compliance requirements under Chapter 521?

Key compliance requirements include implementing and maintaining reasonable procedures to protect sensitive personal information, providing breach notifications, and properly destroying records containing such information. Organizations must also develop policies for data security and specify procedures for handling identity theft cases.

How should organizations implement Chapter 521 controls?

Organizations should conduct a risk assessment to identify areas where sensitive personal information is stored and implement controls such as encryption, access controls, and secure disposal methods. Documentation of policies and employee training on data protection are critical for demonstrating compliance.

How does Chapter 521 relate to other data protection regulations?

Chapter 521 shares similarities with other data breach notification and identity theft prevention laws, like those in the GLBA, HIPAA, or CCPA. However, it is specific to Texas and must be implemented alongside federal or out-of-state frameworks where applicable.

What ongoing actions are required to maintain compliance with Chapter 521?

To maintain compliance, organizations must continuously monitor their information security controls, update procedures in response to new threats, and ensure timely breach notifications when required. Regular audits and updates to employee training programs are also recommended for ongoing adherence.

How would SmartSuite support Texas Business & Commerce Code Chapter 521 compliance?

SmartSuite can help organizations manage Chapter 521 compliance by centralizing risk assessments, mapping and monitoring data protection controls, collecting and storing evidence of compliance activities, and streamlining breach notification workflows. The platform's dashboard and reporting tools support audit readiness and enable security teams to demonstrate continuous compliance.

License included / downloadable: Yes Texas Business & Commerce Code Chapter 521 is publicly available via official Texas statutes and Legislature websites. License included with platform

Full framework page and mappings: smartsuite.com/frameworks/texas-business-commerce-code-chapter-521-identity-theft-enforcement-and-protection-act