



General Assembly

February Session, 2008

Raised Bill No. 315

LCO No. 1766

01766 _____ INS

Referred to Committee on Insurance and Real Estate

Introduced by:
(INS)

AN ACT CONCERNING IDENTITY THEFT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 4a-20 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2008*):

3 The State Insurance and Risk Management Board shall determine
4 the method by which the state shall insure itself against losses by the
5 purchase of insurance governed by the provisions of title 38a to obtain
6 the broadest coverage at the most reasonable cost. Such coverage shall
7 include insurance against losses incurred by individuals due to
8 identity theft, as defined in section 53a-129a, resulting from the loss of
9 personal data by the state. It shall direct the negotiations for purchase
10 of such insurance and determine whether deductible or other risk
11 retention provisions should be included in the insurance contract.
12 Wherever appropriate it shall determine that the state shall act as a
13 self-insurer and may request funds from the contingency fund to
14 establish reserves and carry out such practices as are necessary to
15 safeguard the self-insurance activity. Said board may develop and
16 implement risk management and loss prevention programs related to
17 insurance plans established pursuant to the provisions of sections 4a-

18 19 to 4a-21, inclusive, and may recommend to the Governor and the
19 General Assembly the enactment of policies designed to reduce risks
20 and hazards that may result in state liability for tortious conduct. It
21 shall designate the agent or agents of record and shall select the
22 companies from whom insurance coverage and surety bonds shall be
23 purchased. Notwithstanding any other provision of the general
24 statutes, including without limitation sections 38a-707 and 38a-825, it
25 shall have full authority to negotiate either a commission or fee
26 structure to compensate the agent or agents of record for services
27 performed. It shall also have full authority to retain consulting firms
28 and to negotiate their fee compensation for services performed. Any
29 refund, dividend or other payment from any insurance company in
30 connection with insurance for the state shall be returned to the
31 Comptroller for deposit in the General Fund. The board shall establish
32 specifications for each contract of insurance and shall request bids for
33 each such contract through the agent of record. Each such contract
34 shall be for a specified period of time.

35 Sec. 2. Section 4-142 of the general statutes is repealed and the
36 following is substituted in lieu thereof (*Effective July 1, 2008*):

37 There shall be a Claims Commissioner who shall hear and
38 determine all claims against the state except: (1) Claims for the periodic
39 payment of disability, pension, retirement or other employment
40 benefits; (2) claims upon which suit otherwise is authorized by law
41 including suits to recover similar relief arising from the same set of
42 facts; (3) claims for which an administrative hearing procedure
43 otherwise is established by law; (4) requests by political subdivisions
44 of the state for the payment of grants in lieu of taxes; and (5) claims for
45 the refund of taxes. Notwithstanding subdivisions (1) to (5), inclusive,
46 of this section, the Claims Commissioner shall hear and determine
47 claims, pursuant to the provisions of sections 4-147 to 4-165b, inclusive,
48 for losses incurred by an individual due to identity theft, as defined in
49 section 53a-129a, resulting from the loss of personal data by the state.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2008</i>	4a-20
Sec. 2	<i>July 1, 2008</i>	4-142

Statement of Purpose:

To require the state to purchase insurance to cover losses incurred by individuals due to identity theft resulting from the loss of personal data by the state.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]