



General Assembly

**Amendment**

February Session, 2012

LCO No. 4913

**\*SB0036004913SD0\***

Offered by:

SEN. DUFF, 25<sup>th</sup> Dist.

REP. TONG, 147<sup>th</sup> Dist.

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To: Subst. Senate Bill No. 360

File No. 267

Cal. No. 210

**"AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE  
CONNECTICUT HOUSING FINANCE AUTHORITY TASK FORCE."**

1 After the last section, add the following and renumber sections and  
2 internal references accordingly:

3 "Sec. 501. Section 36a-701b of the general statutes is repealed and the  
4 following is substituted in lieu thereof (*Effective October 1, 2012*):

5 (a) For purposes of this section, "breach of security" means  
6 unauthorized access to or unauthorized acquisition of electronic files,  
7 media, databases or computerized data containing personal  
8 information when access to the personal information has not been  
9 secured by encryption or by any other method or technology that  
10 renders the personal information unreadable or unusable; "personal  
11 information" means an individual's first name or first initial and last  
12 name in combination with any one, or more, of the following data: (1)

13 Social Security number; (2) driver's license number or state  
14 identification card number; or (3) account number, credit or debit card  
15 number, in combination with any required security code, access code  
16 or password that would permit access to an individual's financial  
17 account. "Personal information" does not include publicly available  
18 information that is lawfully made available to the general public from  
19 federal, state or local government records or widely distributed media.

20 (b) (1) Any person who conducts business in this state, and who, in  
21 the ordinary course of such person's business, owns, licenses or  
22 maintains computerized data that includes personal information, shall  
23 [disclose] provide notice of any breach of security following the  
24 discovery of the breach to any resident of this state whose personal  
25 information was, or is reasonably believed to have been, accessed by  
26 an unauthorized person through such breach of security. Such  
27 [disclosure] notice shall be made without unreasonable delay, subject  
28 to the provisions of subsection (d) of this section and the completion of  
29 an investigation by such person to determine the nature and scope of  
30 the incident, to identify the individuals affected, or to restore the  
31 reasonable integrity of the data system. Such notification shall not be  
32 required if, after an appropriate investigation and consultation with  
33 relevant federal, state and local agencies responsible for law  
34 enforcement, the person reasonably determines that the breach will not  
35 likely result in harm to the individuals whose personal information has  
36 been acquired and accessed.

37 (2) If notice of a breach of security is required by subdivision (1) of  
38 this subsection, the person who conducts business in this state, and  
39 who, in the ordinary course of such person's business, owns, licenses  
40 or maintains computerized data that includes personal information,  
41 shall not later than the time when notice is provided to the resident  
42 also provide notice of the breach of security to the Attorney General.

43 (c) Any person that maintains computerized data that includes  
44 personal information that the person does not own shall notify the  
45 owner or licensee of the information of any breach of the security of

46 the data immediately following its discovery, if the personal  
47 information of a resident of this state was, or is reasonably believed to  
48 have been accessed by an unauthorized person.

49 (d) Any notification required by this section shall be delayed for a  
50 reasonable period of time if a law enforcement agency determines that  
51 the notification will impede a criminal investigation and such law  
52 enforcement agency has made a request that the notification be  
53 delayed. Any such delayed notification shall be made after such law  
54 enforcement agency determines that notification will not compromise  
55 the criminal investigation and so notifies the person of such  
56 determination.

57 (e) Any notice to a resident, owner or licensee required by the  
58 provisions of this section may be provided by one of the following  
59 methods: (1) Written notice; (2) telephone notice; (3) electronic notice,  
60 provided such notice is consistent with the provisions regarding  
61 electronic records and signatures set forth in 15 USC 7001; (4)  
62 substitute notice, provided such person demonstrates that the cost of  
63 providing notice in accordance with subdivision (1), (2) or (3) of this  
64 subsection would exceed two hundred fifty thousand dollars, that the  
65 affected class of subject persons to be notified exceeds five hundred  
66 thousand persons or that the person does not have sufficient contact  
67 information. Substitute notice shall consist of the following: (A)  
68 Electronic mail notice when the person [, business or agency] has an  
69 electronic mail address for the affected persons; (B) conspicuous  
70 posting of the notice on the web site of the person [, business or  
71 agency] if the person maintains one; and (C) notification to major state-  
72 wide media, including newspapers, radio and television.

73 (f) Any person that maintains such person's own security breach  
74 procedures as part of an information security policy for the treatment  
75 of personal information and otherwise complies with the timing  
76 requirements of this section, shall be deemed to be in compliance with  
77 the security breach notification requirements of this section, provided  
78 such person notifies, [subject persons] as applicable, residents of this

79 state, owners and licensees in accordance with such person's policies in  
80 the event of a breach of security and in the case of notice to a resident,  
81 such person also notifies the Attorney General not later than the time  
82 when notice is provided to the resident. Any person that maintains  
83 such a security breach procedure pursuant to the rules, regulations,  
84 procedures or guidelines established by the primary or functional  
85 regulator, as defined in 15 USC 6809(2), shall be deemed to be in  
86 compliance with the security breach notification requirements of this  
87 section, provided (1) such person notifies, [subject persons] as  
88 applicable, such residents of this state, owners, and licensees required  
89 to be notified under and in accordance with the policies or the rules,  
90 regulations, procedures or guidelines established by the primary or  
91 functional regulator in the event of a breach of security, [of the system]  
92 and (2) if notice is given to a resident of this state in accordance with  
93 subdivision (1) of this subsection regarding a breach of security, such  
94 person also notifies the Attorney General not later than the time when  
95 notice is provided to the resident.

96 (g) Failure to comply with the requirements of this section shall  
97 constitute an unfair trade practice for purposes of section 42-110b and  
98 shall be enforced by the Attorney General."

This act shall take effect as follows and shall amend the following sections:		
Sec. 501	October 1, 2012	36a-701b