



General Assembly

January Session, 2015

Committee Bill No. 589

LCO No. 5036



Referred to Committee on GENERAL LAW

Introduced by:
(GL)

**AN ACT CONCERNING THE UNAUTHORIZED ACCESS OF
CONSUMER DATA.**

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

1 Section 1. (NEW) (*Effective from passage*) (a) As used in this section,
2 (1) "encrypt" means the transformation of electronic data into a form in
3 which meaning cannot be assigned without the use of a confidential
4 process or key, and (2) "personal information" means an individual's
5 first name or first initial and last name in combination with any one or
6 more of the following data: (A) A Social Security number; (B) a driver's
7 license number or a state identification number; (C) a home address; or
8 (D) individually identifiable health information. "Personal
9 information" does not include publicly available information that is
10 lawfully made available to the general public from federal, state or
11 local government records or widely distributed media.

12 (b) Not later than July 1, 2016, each insurer, banking or financial
13 organization, data broker that collects personal information and health
14 care center or other entity licensed to do health insurance business in
15 this state shall implement security technology that encrypts the
16 personal information of consumers, insureds and enrollees that is

17 compiled or maintained by such insurer, banking or financial
18 organization, data broker, health care center or other entity. Any such
19 security technology shall be updated as is necessary and practicable.

20 (c) Not later than seven days after receiving notice of unauthorized
21 access to personal information by a third party, an entity listed in
22 subsection (b) of this section shall notify each person who has had his
23 or her personal information accessed, in writing, of such unauthorized
24 access of his or her personal information.

25 (d) An entity required to notify a person of unauthorized access of
26 his or her personal information pursuant to subsection (c) of this
27 section shall provide such person with not less than two years of
28 commercially available identity theft monitoring and protection at no
29 charge to the person.

30 (e) The Insurance Commissioner, after consulting with the
31 Commissioner of Consumer Protection, shall adopt regulations, in
32 accordance with the provisions of chapter 54 of the general statutes, to
33 implement the provisions of this section and to establish minimum
34 standards for security technology required to be implemented
35 pursuant to subsection (b) of this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section

Statement of Purpose:

To require insurance companies, banks and other entities to implement security technology that encrypts the personal information of consumers that is compiled or maintained by such insurance companies, banks and entities, to require the Insurance Commissioner to adopt regulations, after consulting with the Commissioner of Consumer Protection, to establish minimum standards for such security technology and to require written notification and identity theft monitoring and protection relating to unauthorized access of personal information.

[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.]

Co-Sponsors: SEN. LOONEY, 11th Dist.

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