

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. Senate Bill 1048

PRINTER NO. 2079

AMOUNT

No Fiscal Impact

FUND

General Fund

DATE INTRODUCED

October 26, 2015

PRIME SPONSOR

Senator Vulakovich

DESCRIPTION

Senate Bill 1048 amends the Breach of Personal Information Notification Act (Act 94 of 2005) as follows:

- Adds medical information, health insurance information and user name or email address, in combination with a password or security question and answer that would permit access to an online account to the definition of “personal information.”
- Requires a state agency, county, school district or municipality to notify the subject of a breach of security within seven (7) business days following the discovery of a breach of security.
- Requires a state agency to notify the Attorney General within three (3) business days following the discovery of a breach of security.
- Requires a state agency under the Governor’s jurisdiction to notify the Office of Administration within three (3) business days following the discovery of a breach of security.
- Requires a county, school district or municipality to notify the district attorney within three (3) business days following the discovery of a breach of security.
- Allows notification with regard to a breach of security related to user name or e-mail address, in combination with password or security question and answer, by providing electronic or other information directing the subject of the breach to change his or her password or take other steps to protect their online account.
- Requires employees and contractors of the Commonwealth to use encryption to protect the transmission of personal information.
- Requires the Office of Administration to develop a policy to govern the proper storage of personal information to reduce the risk of future breaches of security.
- Provides that any person or entity subject to the Federal Health Insurance Portability and Accountability Act of 1996 and the Health Information for Economic and Clinical Health Act is deemed to be in compliance with this act.

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The legislation is scheduled to take effect in 60 days.

FISCAL IMPACT:

The enactment of Senate Bill 1048 will have no adverse fiscal impact on Commonwealth Funds. The Office of Administration has indicated that the provisions contained in the legislation can be accomplished within its existing operating budget.