



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 1846

PRINTERS NO. 3128

PRIME SPONSOR: Ellis

COST / (SAVINGS)

FUND	FY 2017/18	FY 2018/19
General Fund	\$0	\$0

SUMMARY: House Bill 1846, printer's number 3128, amends the act of December 22, 2005 (P.L. 474, No. 94), known as the Breach of Personal Information Notification Act, to update definitions and provide for notification requirements when a security system breach occurs.

The effective date is 60 days after enactment.

ANALYSIS: The bill amends Section 2 of the Breach of Personal Information Notification Act to update definitions for "breach of security of the system," "notice," and "personal information" to make them more reflective of current technology and practices. Several other new definitions are also added to modernize the Act.

Section 3 of the Act is amended by the bill to require that notice of a security breach must be made within 45 days of the discovery of the breach. Any entity that owns or licenses computerized data that includes personal information shall be required to provide notice in plain language to residents of the Commonwealth within 45 days of discovery of the breach of security of the system by the owner or the licensee. A vendor that maintains, stores or manages computerized data on behalf of an owner or licensee of personal information shall provide notice to the owner or licensee of any breach of the security system following discovery by the vendor. The owner or licensee shall be responsible for providing notifications required by the Act.

The bill also adds a new subsection to Section 3 of the Act to provide that when notice of a breach of security must be given to more than 1,000 affected individuals in the Commonwealth, notice shall first be provided to the Office of Attorney General's Bureau of Consumer Protection not less than five days prior to notice to the affected individuals. If a State agency is the subject of a breach of security of the system, the State agency must provide notice without unreasonable delay following discovery of the breach. Agencies under the Governor's jurisdiction shall also provide notice of a breach of security to the Governor's Office of Administration. Notice shall be provided to a district attorney in the county when a breach of security occurs in a county, school district, or municipality.

FISCAL IMPACT: The enactment of this legislation will have no adverse impact on Commonwealth funds.

PREPARED BY: Lisa Taglang
House Appropriations Committee (R)

DATE: March 12, 2018

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.