

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. Senate Bill 824

PRINTER NO. 1100

AMOUNT

See Fiscal Impact

FUND

General Fund

DATE INTRODUCED

June 15, 2023

PRIME SPONSOR

Senator Pennycuik

DESCRIPTION

Senate Bill 824 amends the Breach of Personal Information Notification Act to provide for notice to the Office of Attorney General and access to free credit reports and monitoring in the event of a data breach.

The definition of "personal information" is amended to specifically include medical information in the possession of a state agency or state agency contractor.

The bill requires that when notice of a system breach under current law must be given to more than 500 affected individuals in this Commonwealth, notice shall be made concurrently to the Office of Attorney General. Notice shall include the name and location of an affected organization, the date of the system breach, a summary of the breach incident, the estimated number of affected individuals and an estimate of the number of affected individuals within the Commonwealth.

Senate Bill 824 requires that the entity providing notification of a breach shall assume all costs and fees related to providing access to one independent credit report from a consumer reporting agency and access to credit monitoring services for a period of 12 months following notification of a breach. The legislation specifies that a breach has occurred if a portion of an individual's name is accessed in combination with a social security number, a bank account number or a driver's license number. Affected individuals shall be notified of the no-cost services upon notification.

This act shall take effect in 90 days.

FISCAL IMPACT:

Senate Bill 824 requires credit monitoring services be provided to individuals impacted by a breach. Retail prices for credit monitoring services can range between \$8.99 per month to \$39.95 per month. Assuming a breach of 500 individuals, the incurred costs for monitoring services range from \$54,000 to \$240,000 annually and would be paid by the organization that had the system breach. Costs would only be incurred in the event of a breach and would likely be accommodated within existing budgeted amounts.