

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2429 - A

Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session
Legislative Fiscal Office

***Only Impacts on Original or Engrossed
Versions are Considered Official***

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Reviewed by: Daron Hill, Paul Siebert, Steve Bender
Date: 4/19/13

Measure Description:

Requires that public bodies develop and implement policies for securely removing personal information from digital data storage devices and other electronic data storage devices before selling, donating, recycling or otherwise disposing of device.

Government Unit(s) Affected:

Department of Administrative Services (DAS), Statewide, Judicial Department

Summary of Expenditure Impact:

Please see analysis

Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

Analysis:

The measure as amended has a minimal impact on state agencies with the exception of the Oregon Judicial Department (OJD). OJD current policies allow for the use of personally owned or controlled copiers, facsimile machines, and scanners. Judges and staff often use these devices when reviewing search warrants on weekends and evenings or when performing work remotely. The measure would prohibit the current use of these personally owned devices, requiring that either the control of the devices to be given to the OJD for the purposes of the bill, or that OJD replace the devices with ones owned and controlled by OJD. Due to the issues related to overlapping private and OJD use of a personally owned machine, OJD believes that it would need to supply judges/staff with devices to be used in remote locations.

The initial cost to OJD is estimated to be \$250,000 General Fund in the 2013-15 biennium and ongoing replacement and maintenance costs of about \$150,000 General Fund in the 2015-17 biennium and beyond. OJD also believes that a 1.0 FTE Analyst 2 position at a biennial cost of \$147,375 would be required to manage the purchase, support, and disposal of the equipment.

STAFF MEASURE SUMMARY

CARRIER:

Joint Committee on Ways and Means

REVENUE: No Revenue Impact

FISCAL: Fiscal Impact Statement Issued

SUBSEQUENT REFERRAL TO:

Action:

Vote:

Yeas:

Nays:

Exc.:

Prepared By:

Meeting Dates: 5/16/13

WHAT THE MEASURE DOES: Requires public bodies to remove personal information from electronic devices before disposing of devices; Allows public body to contract with other public body or private contractor for removal of personal information; Requires public bodies to own, lease or otherwise control devices used for copying documents that contain personal information, or to meet certain other requirements; Requires business offering photocopiers or scanners for use by public for a fee to post notice that information from photocopied or scanned documents may be stored on device; Makes failure to post notice unlawful trade practice.

ISSUES DISCUSSED:

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EFFECT OF COMMITTEE AMENDMENT:

BACKGROUND: Many modern photocopiers and scanners contain hard drives which capture images of processed documents that, if not securely removed, remain with the device. Such devices, obtained used from public bodies or private businesses, may contain sensitive personal information that can facilitate identity theft or otherwise endanger individuals’ personal security. Unlawful trade practices may be prosecuted by the Attorney General or the district attorney of the county where the unlawful practice is alleged to have occurred and harmed individuals have a private right of action as well.

House Bill 2429 A would require public bodies to implement policies for the secure removal of personal information from their devices and to use only certain copying and scanning devices. In addition, the bill requires businesses offering copying or scanning devices for use by the public to provide notice of potential retention of personal information on the device and makes failure to post such notice an unlawful trade practice.

This summary has not been adopted or officially endorsed by action of the committee.

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