

SB 1551 -7, -8 STAFF MEASURE SUMMARY

Senate Committee On Judiciary

Prepared By: Channa Newell, Counsel

Meeting Dates: 2/9, 2/15, 2/15

WHAT THE MEASURE DOES:

Modifies Oregon Consumer Identity Theft Protection Act. Provides consumers with one no-charge security freeze per calendar year. Requires notification of data breach to consumer within 45 days of discovering or receiving notification of the breach, unless existing exemption applies. Prohibits a person that provides no-charge credit monitoring service to a consumer following a breach from offering additional services or requiring or conditioning the offer for free services on purchase of a paid service. Adds definitions for account information and financial access devices. Requires notification to a financial institution of a breach when the breach involved a financial access devices issued by the financial institution. Updates duties of person with consumer's personal data to safeguard the data. Allows consumer reporting agency to ask consumer whether a security freeze request relates to a data breach notice and the agency to recover its costs for the freeze from the person who had the information involved in the breach. Specifies measure takes effect 91 days sine die.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-7 Replaces measure. Provides no charge for security freezes, thaws, or removal of security freeze in any circumstance. Requires notice of breach within 45 days of discovery or notification of breach, unless exception exists. Prohibits person giving notice of breach who then offers credit monitoring or identity theft prevention and mitigation services free of charge to consumer from requiring consumer give credit or debit card information or accept other for-fee services as condition of free services. Allows additional services to be offered for a fee if person notifies consumer separately, distinctly, clearly, and conspicuously that offer is for paid services. Extends prohibition to third party contractors providing services. Returns language on HIPAA and Gramm-Leach-Bliley Act to current law. Updates safeguarding of data statutes to require certain existing actions be taken with reasonable regularity. Maintains current definitions; includes combination of data that permits access to an account as part of protected personal information. Clarifies that person with duty to give notice of breach is person who owns, licenses, has control over, or access to the personal information and that was subject to the breach.

-8 Replaces measure. Provides no charge for security freezes, thaws, or removal of security freeze in any circumstance. Requires notice of breach within 45 days of discovery or notification of breach, unless exception exists. Prohibits person giving notice of breach who then offers credit monitoring or identity theft prevention and mitigation services free of charge to consumer from requiring consumer give credit or debit card information or accept other for-fee services as condition of free services. Allows additional services to be offered for a fee if person notifies consumer separately, distinctly, clearly, and conspicuously that offer is for paid services. Extends prohibition to third party contractors providing services. Returns language on HIPAA and Gramm-Leach-Bliley Act to current law. Updates safeguarding of data statutes to require certain existing actions be taken with reasonable regularity. Maintains current definitions; includes combination of data that permits access to an account as part of protected personal information. Clarifies that person with duty to give notice of breach is person who owns, licenses, has control over, or access to the personal information and that was subject to the breach. Extends clarification into other provisions of measure. Adds standard of "reasonable" for efforts to safeguard data.

BACKGROUND:

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

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According to the Identity Theft Resource Center, there were 1,579 separate data breaches in 2017, with nearly 180 million individual records exposed. One breach reported in 2017 exposed the names, social security numbers, dates of birth, and in some cases, driver license numbers of 143 million Americans, with 209,000 individuals having their credit card numbers stolen. In response to that breach, a work group was formed to begin revising and updating Oregon's Consumer Identity Theft Protection Act.

Senate Bill 1551 is the initial product of that work group.