

Requested by SENATE COMMITTEE ON JUDICIARY

**PROPOSED AMENDMENTS TO
SENATE BILL 1551**

1 On page 1 of the printed bill, delete lines 6 through 21 and delete pages
2 2 through 11 and insert:

3 **“SECTION 1.** ORS 646A.602 is amended to read:

4 “646A.602. As used in ORS 646A.600 to 646A.628:

5 “(1)(a) ‘Breach of security’ means an unauthorized acquisition of comput-
6 erized data that materially compromises the security, confidentiality or in-
7 tegrity of personal information that a person maintains.

8 “(b) ‘Breach of security’ does not include an inadvertent acquisition of
9 personal information by a person or the person’s employee or agent if the
10 personal information is not used in violation of applicable law or in a man-
11 ner that harms or poses an actual threat to the security, confidentiality or
12 integrity of the personal information.

13 “(2) ‘Consumer’ means an individual resident of this state.

14 “(3) ‘Consumer report’ means a consumer report as described in section
15 603(d) of the federal Fair Credit Reporting Act (15 U.S.C. 1681a(d)), as that
16 Act existed on [January 1, 2016] **the effective date of this 2018 Act**, that
17 a consumer reporting agency compiles and maintains.

18 “(4) ‘Consumer reporting agency’ means a consumer reporting agency as
19 described in section 603(p) of the federal Fair Credit Reporting Act (15 U.S.C.
20 1681a(p)) as that Act existed on [January 1, 2016] **the effective date of this**
21 **2018 Act.**

1 “(5) ‘Debt’ means any obligation or alleged obligation arising out of a
2 consumer transaction.

3 “(6) ‘Encryption’ means an algorithmic process that renders data unread-
4 able or unusable without the use of a confidential process or key.

5 “(7) ‘Extension of credit’ means a right to defer paying debt or a right to
6 incur debt and defer paying the debt, that is offered or granted primarily for
7 personal, family or household purposes.

8 “(8) **‘Financial account information’ means the following informa-**
9 **tion that is associated with a consumer’s account with a financial in-**
10 **stitution:**

11 “(a) **An account number.**

12 “(b) **A personal identification number.**

13 “(c) **A card verification value number.**

14 “(d) **A card security code number.**

15 “(e) **An access code.**

16 “(f) **A password.**

17 “(g) **A biometric measurement or an encoding of a biometric**
18 **measurement.**

19 “(h) **Any other information or combination of information that**
20 **would permit access to the consumer’s account.**

21 “(9) **‘Financial institution’ has the meaning given that term in ORS**
22 **706.008.**

23 “[8] (10) ‘Identity theft’ has the meaning set forth in ORS 165.800.

24 “[9] (11) ‘Identity theft declaration’ means a completed and signed
25 statement that documents alleged identity theft, using [*the*] a form available
26 from the Federal Trade Commission, or another substantially similar form.

27 “[10] (12) ‘Person’ means an individual, private or public corporation,
28 partnership, cooperative, association, estate, limited liability company, or-
29 ganization or other entity, whether or not organized to operate at a profit,
30 or a public body as defined in ORS 174.109.

1 “[(11)] **(13)(a)** ‘Personal information’ means:

2 “[(a)] **(A)** A consumer’s first name or first initial and last name in com-
3 bination with any one or more of the following data elements, if encryption,
4 redaction or other methods have not rendered the data elements unusable
5 or if the data elements are encrypted and the encryption key has been ac-
6 quired:

7 “[(A)] **(i)** A consumer’s Social Security number;

8 “[(B)] **(ii)** A consumer’s driver license number or state identification card
9 number issued by the Department of Transportation;

10 “[(C)] **(iii)** A consumer’s passport number or other identification number
11 issued by the United States;

12 “[(D)] **(iv)** A consumer’s financial account **information** [*number, credit*
13 *card number or debit card number, in combination with any required security*
14 *code, access code or password that would permit access to a consumer’s fi-*
15 *ancial account*];

16 “[(E)] **(v)** Data from automatic measurements of a consumer’s physical
17 characteristics, such as an image of a fingerprint, retina or iris, that are
18 used to authenticate the consumer’s identity in the course of a financial
19 transaction or other transaction;

20 “[(F)] **(vi)** A consumer’s health insurance policy number or health insur-
21 ance subscriber identification number in combination with any other unique
22 identifier that a health insurer uses to identify the consumer; [*or*] **and**

23 “[(G)] **(vii)** Any information about a consumer’s medical history or mental
24 or physical condition or about a health care professional’s medical diagnosis
25 or treatment of the consumer.

26 “[(b)] **(B)** Any of the data elements or any combination of the data ele-
27 ments described in [*paragraph (a) of this subsection*] **subparagraph (A) of**
28 **this paragraph** without the consumer’s first name or first initial and last
29 name if:

30 “[(A)] **(i)** Encryption, redaction or other methods have not rendered the

1 data element or combination of data elements unusable; and

2 “[~~(B)~~] **(ii)** The data element or combination of data elements would enable
3 a person to commit identity theft against a consumer.

4 “[~~(c)~~] **(b)** ‘Personal information’ does not include information in a federal,
5 state or local government record, other than a Social Security number, that
6 is lawfully made available to the public.

7 “[~~(12)~~] **(14)** ‘Proper identification’ means written information or doc-
8 umentation that a consumer or representative can present to another person
9 as evidence of the consumer’s or representative’s identity, examples of which
10 include:

11 “(a) A valid Social Security number or a copy of a valid Social Security
12 card;

13 “(b) A certified or otherwise official copy of a birth certificate that a
14 governmental body issued; and

15 “(c) A copy of a driver license or other government-issued identification.

16 “[~~(13)~~] **(15)** ‘Protected consumer’ means an individual who is:

17 “(a) Not older than 16 years old at the time a representative requests a
18 security freeze on the individual’s behalf; or

19 “(b) Incapacitated or for whom a court or other authority has appointed
20 a guardian or conservator.

21 “[~~(14)~~] **(16)** ‘Protective record’ means information that a consumer re-
22 porting agency compiles to identify a protected consumer for whom the con-
23 sumer reporting agency has not prepared a consumer report.

24 “[~~(15)~~] **(17)** ‘Redacted’ means altered or truncated so that no more than
25 the last four digits of a Social Security number, driver license number, state
26 identification card number, passport number or other number issued by the
27 United States, financial account number, credit card number or debit card
28 number is visible or accessible.

29 “[~~(16)~~] **(18)** ‘Representative’ means a consumer who provides a consumer
30 reporting agency with sufficient proof of the consumer’s authority to act on

1 a protected consumer's behalf.

2 "[~~(17)~~] (19) 'Security freeze' means a notice placed in a consumer report
3 at a consumer's request or a representative's request or in a protective re-
4 cord at a representative's request that, subject to certain exemptions, pro-
5 hibits a consumer reporting agency from releasing information in the
6 consumer report or the protective record for an extension of credit, unless
7 the consumer temporarily lifts the security freeze on the consumer's con-
8 sumer report or a protected consumer or representative removes the security
9 freeze on or deletes the protective record.

10 "**SECTION 2.** ORS 646A.604 is amended to read:

11 "646A.604. (1) **If** a person [*that*] owns or licenses personal information
12 that the person uses in the course of the person's business, vocation, occu-
13 pation or volunteer activities, **or that the person possesses or has access**
14 **to as a direct or indirect result of the person's or another person's**
15 **transaction with a consumer**, and [*that*] **the personal information** was
16 subject to a breach of security, **the person** shall give notice of the breach
17 of security to:

18 "(a) The consumer to whom the personal information pertains [*after the*
19 *person discovers the breach of security or after the person receives notice of a*
20 *breach of security under subsection (2) of this section. The person shall notify*
21 *the consumer in the most expeditious manner possible, without unreasonable*
22 *delay, consistent with the legitimate needs of law enforcement described in*
23 *subsection (3) of this section and consistent with any measures that are nec-*
24 *essary to determine sufficient contact information for the affected consumer,*
25 *determine the scope of the breach of security and restore the reasonable integ-*
26 *riety, security and confidentiality of the personal information*].

27 "(b) The Attorney General, either in writing or electronically, if the
28 number of consumers to whom the person must send the notice described in
29 paragraph (a) of this subsection exceeds 250. [*The person shall disclose the*
30 *breach of security to the Attorney General in the manner described in para-*

1 *graph (a) of this subsection.]*

2 “(2) A person that maintains or otherwise possesses personal information
3 on behalf of, or under license of, another person shall notify the other person
4 after discovering a breach of security.

5 “(3)(a) **Except as provided in paragraph (b) of this subsection, a**
6 **person that must give notice of a breach of security under subsection**
7 **(1) or (2) of this section shall give the notice in the most expeditious**
8 **manner possible, without unreasonable delay, but not later than 45**
9 **days after discovering or receiving notification of the breach of secu-**
10 **rity. In providing the notice, the person shall undertake any measures**
11 **that are necessary to:**

12 “(A) **Determine sufficient contact information for the intended re-**
13 **cipient of the notice;**

14 “(B) **Determine the scope of the breach of security; and**

15 “(C) **Restore the reasonable integrity, security and confidentiality**
16 **of the personal information.**

17 “(b) A person that [*owns or licenses personal information*] **must give**
18 **notice of a breach of security under subsection (1) or (2) of this section**
19 **may delay [*notifying a consumer of a breach of security*] giving the notice**
20 **only if a law enforcement agency determines that a notification will impede**
21 **a criminal investigation and if the law enforcement agency requests in**
22 **writing that the person delay the notification.**

23 “(4) For purposes of this section, a person that owns or licenses personal
24 information, **or possesses or has access to personal information as a**
25 **result of a transaction with a consumer,** may notify [*a*] **the** consumer of
26 a breach of security:

27 “(a) In writing;

28 “(b) Electronically, if the person customarily communicates with the
29 consumer electronically or if the notice is consistent with the provisions
30 regarding electronic records and signatures set forth in the Electronic Sig-

1 natures in Global and National Commerce Act (15 U.S.C. 7001) as that Act
2 existed on [*January 1, 2016*] **the effective date of this 2018 Act**;

3 “(c) By telephone, if the person contacts the affected consumer directly;
4 or

5 “(d) With substitute notice, if the person demonstrates that the cost of
6 notification otherwise would exceed \$250,000 or that the affected class of
7 consumers exceeds 350,000, or if the person does not have sufficient contact
8 information to notify affected consumers. For the purposes of this paragraph,
9 ‘substitute notice’ means:

10 “(A) Posting the notice or a link to the notice conspicuously on the
11 person’s website if the person maintains a website; and

12 “(B) Notifying major statewide television and newspaper media.

13 “(5) Notice under this section must include, at a minimum:

14 “(a) A description of the breach of security in general terms;

15 “(b) The approximate date of the breach of security;

16 “(c) The type of personal information that was subject to the breach of
17 security;

18 “(d) Contact information for the person that owned or licensed, **or pos-**
19 **sessed or had access to as a result of a transaction with a consumer,**
20 the personal information that was subject to the breach of security;

21 “(e) Contact information for national consumer reporting agencies; and

22 “(f) Advice to the consumer to report suspected identity theft to law
23 enforcement, including the Attorney General and the Federal Trade Com-
24 mission.

25 “(6) If a person discovers a breach of security that affects more than 1,000
26 consumers, the person shall notify, without unreasonable delay, all consumer
27 reporting agencies that compile and maintain reports on consumers on a
28 nationwide basis of the timing, distribution and content of the notice the
29 person gave to affected consumers and shall include in the notice any police
30 report number assigned to the breach of security. A person may not delay

1 notifying affected consumers of a breach of security in order to notify con-
2 sumer reporting agencies.

3 **“(7)(a) If a person must notify a consumer of a breach of security**
4 **under this section, and in connection with the notification the person**
5 **offers to provide credit monitoring services or identity theft pre-**
6 **vention and mitigation services without charge to the consumer, the**
7 **person may not condition the person’s provision of the services on the**
8 **consumer’s providing the person with a credit or debit card number**
9 **or on the consumer’s acceptance of any other service the person offers**
10 **to provide for a fee.**

11 **“(b) If a person offers additional credit monitoring services or**
12 **identity theft prevention and mitigation, services for a fee to a con-**
13 **sumer under the circumstances described in paragraph (a) of this**
14 **subsection, the person must, in a separate and distinct writing, clearly**
15 **and conspicuously disclose in the offer for the additional credit moni-**
16 **toring services or identity theft prevention and mitigation services**
17 **that the person will charge the consumer a fee.**

18 **“(c) The terms and conditions of any contract under which one**
19 **person offers or provides credit monitoring services or identity theft**
20 **prevention and mitigation services on behalf of another person under**
21 **the circumstances described in paragraph (a) of this subsection must**
22 **require compliance with the requirements of paragraphs (a) and (b)**
23 **of this subsection.**

24 **“[(7)] (8) Notwithstanding subsection (1) of this section, a person does not**
25 **need to notify consumers of a breach of security if, after an appropriate in-**
26 **vestigation or after consultation with relevant federal, state or local law**
27 **enforcement agencies, the person reasonably determines that the consumers**
28 **whose personal information was subject to the breach of security are un-**
29 **likely to suffer harm. The person must document the determination in writ-**
30 **ing and maintain the documentation for at least five years.**

1 “[8] (9) This section does not apply to:

2 “(a) A person that complies with notification requirements or procedures
3 for a breach of security that the person’s primary or functional federal reg-
4 ulator adopts, promulgates or issues in rules, regulations, procedures,
5 guidelines or guidance, if the rules, regulations, procedures, guidelines or
6 guidance provide greater protection to personal information and disclosure
7 requirements at least as thorough as the protections and disclosure require-
8 ments provided under this section.

9 “(b) A person that complies with a state or federal law that provides
10 greater protection to personal information and disclosure requirements at
11 least as thorough as the protections and disclosure requirements provided
12 under this section.

13 “(c) A person that is subject to and complies with regulations
14 promulgated pursuant to Title V of the Gramm-Leach-Bliley Act of 1999 (15
15 U.S.C. 6801 to 6809) as that Act existed on [January 1, 2016] **the effective**
16 **date of this 2018 Act, if the Act provides protections and disclosure**
17 **requirements that are as stringent and thorough as, or more stringent**
18 **and thorough than, the protections and disclosure requirements set**
19 **forth in this section.**

20 “[*(d)(A) Except as provided in subparagraph (B) of this paragraph, a cov-*
21 *ered entity, as defined in 45 C.F.R. 160.103, as in effect on January 1, 2016,*
22 *that is governed under 45 C.F.R. parts 160 and 164, as in effect on January*
23 *1, 2016, if the covered entity sends the Attorney General a copy of the notice*
24 *the covered entity sent to consumers under this section or a copy of the notice*
25 *that the covered entity sent to the primary functional regulator designated for*
26 *the covered entity under the Health Insurance Portability and Availability Act*
27 *of 1996, (P.L. 104-191, 110 Stat. 1936, 42 U.S.C. 300(gg), 29 U.S.C. 118 et seq.,*
28 *42 U.S.C. 1320(d) et seq., 45 C.F.R. parts 160 and 164).]*

29 “[*(B) A covered entity is subject to the provisions of this section if the*
30 *covered entity does not send a copy of a notice described in subparagraph (A)*

1 *of this paragraph to the Attorney General within a reasonable time after the*
2 *Attorney General requests the copy.]*

3 **“(d) A person that is subject to and that complies with the regu-**
4 **lations set forth in 45 C.F.R. parts 160 and 164, as in effect on the ef-**
5 **fective date of this 2018 Act, if the regulations provide protections and**
6 **disclosure requirements that are as stringent and thorough as, or**
7 **more stringent and thorough than, the protections and disclosure re-**
8 **quirements set forth in this section.**

9 **“(10) Notwithstanding the exemptions set forth in subsection (9) of**
10 **this section, a person shall provide to the Attorney General within a**
11 **reasonable time a copy of any notice the person sends to consumers**
12 **or to the person’s primary or functional regulator in compliance with**
13 **this section or with other state or federal laws or regulations that**
14 **apply to the person as a consequence of a breach of security.**

15 **“[(9)(a)] (11)(a) A person’s violation of a provision of ORS 646A.600 to**
16 **646A.628 is an unlawful practice under ORS 646.607.**

17 **“(b) The rights and remedies available under this section are cumulative**
18 **and are in addition to any other rights or remedies that are available under**
19 **law.**

20 **“SECTION 3. ORS 646A.606 is amended to read:**

21 **“646A.606. (1) A consumer may elect to place a security freeze on the**
22 **consumer’s consumer report or, if the consumer is a representative, on a**
23 **protected consumer’s consumer report or protective record by sending a**
24 **written request to a consumer reporting agency at an address the agency**
25 **designates to receive such requests, or a secure electronic request at a**
26 **website the agency designates to receive such requests if the consumer re-**
27 **porting agency, at the agency’s discretion, makes a secure electronic method**
28 **available.**

29 **“(2) If the consumer or protected consumer is the victim of identity theft**
30 **or has reported a theft of personal information to a law enforcement agency,**

1 the consumer or representative may include a copy of the police report, in-
2 cident report or identity theft declaration.

3 “(3)(a) The consumer or representative must provide proper identification
4 [*and any fee authorized by ORS 646A.610*].

5 “(b)(A) In addition to the information [*and fee*] described in paragraph (a)
6 of this subsection, a representative who seeks to place a security freeze on
7 a protected consumer’s consumer report or protective record shall provide
8 sufficient proof of the representative’s authority to act on the protected
9 consumer’s behalf.

10 “(B) For purposes of subparagraph (A) of this paragraph, sufficient proof
11 of authority consists of:

12 “(i) A court order that identifies or describes the relationship between the
13 representative and the protected consumer;

14 “(ii) A valid and lawfully executed power of attorney that permits the
15 representative to act on the protected consumer’s behalf; or

16 “(iii) A written affidavit that the representative signs and has notarized
17 in which the representative expressly describes the relationship between the
18 representative and the protected consumer and the representative’s authority
19 to act on the protected consumer’s behalf.

20 “(4)(a) Except as provided in ORS 646A.614, if a security freeze is in place
21 for a consumer report, information from the consumer report may not be
22 released without prior express authorization from the consumer.

23 “(b) Information from a protective record may not be released until the
24 protected consumer for whom the consumer reporting agency created the
25 protective record, or a representative of the protected consumer, removes the
26 security freeze.

27 “(5) This section does not prevent a consumer reporting agency from ad-
28 vising a third party that a security freeze is in effect with respect to the
29 consumer report or protective record.

30 **“SECTION 4.** ORS 646A.608 is amended to read:

1 “646A.608. (1)(a) A consumer reporting agency shall place a security
2 freeze on a consumer report not later than five business days after receiving
3 from a consumer:

4 “(A) The request described in ORS 646A.606 (1); **and**

5 “(B) Proper identification.[: *and*]

6 “[*(C) A fee, if applicable.*]

7 “(b) If a consumer report does not exist for a protected consumer on be-
8 half of whom a representative seeks to place a security freeze, a consumer
9 reporting agency shall create a protective record after receiving from the
10 representative the request described in ORS 646A.606 (1), proper identifica-
11 tion for both the representative and the protected consumer and sufficient
12 proof of authority, as described in ORS 646A.606 (3)(b). After creating a
13 protective record for a protected consumer under this paragraph, the con-
14 sumer reporting agency shall place the security freeze that the representative
15 requested on the protected consumer’s protective record.

16 “(c) The protective record that the consumer reporting agency creates
17 under paragraph (b) of this subsection does not need to contain any infor-
18 mation other than the protected consumer’s personal information, if other
19 information for the protected consumer is not available. Except as provided
20 in ORS 646A.614, a consumer reporting agency may not use or release to
21 another person the information in a protective record for the purpose of as-
22 sessing a protected consumer’s eligibility or capacity for an extension of
23 credit, as a basis for evaluating a protected consumer’s character, reputation
24 or personal characteristics or for other purposes that are not related to
25 protecting the protected consumer from identity theft.

26 “(2)(a) [*The*] **A** consumer reporting agency shall send a written confirma-
27 tion of a security freeze on a consumer’s consumer report to the consumer
28 at the last known address for the consumer shown in the consumer report
29 that the consumer reporting agency maintains, within 10 business days after
30 placing the security freeze and, with the confirmation, shall provide the

1 consumer with a unique personal identification number or password or sim-
2 ilar device the consumer must use to authorize the consumer reporting
3 agency to release the consumer's consumer report for a specific period of
4 time or to permanently remove the security freeze. The consumer reporting
5 agency shall include with the written confirmation information that de-
6 scribes how to remove a security freeze and how to temporarily lift a secu-
7 rity freeze on a consumer report, other than a consumer report for a
8 protected consumer, in order to allow access to information from the
9 consumer's consumer report for a period of time while the security freeze is
10 in place.

11 “(b) This subsection does not require a consumer reporting agency to
12 provide a consumer or representative with a personal identification number
13 or password for the consumer or representative to use to authorize the con-
14 sumer reporting agency to release information from a protective record.

15 “(3)(a) If a consumer wishes to allow the consumer's consumer report to
16 be accessed for a specific period of time while a security freeze is in effect,
17 the consumer shall contact the consumer reporting agency using a point of
18 contact the consumer reporting agency designates, request that the security
19 freeze be temporarily lifted and provide the following:

20 “(A) Proper identification;

21 “(B) The unique personal identification number or password or similar
22 device the consumer reporting agency provided under subsection (2) of this
23 section; **and**

24 “(C) An indication of the period of time during which the consumer report
25 must be available to users of the consumer report[; *and*].

26 “[*D*] A fee, if applicable.]

27 “(b) A protective record is not subject to a temporary lift of a security
28 freeze.

29 “(c) Except as provided in ORS 646A.612 (2)(a), a consumer report for a
30 protected consumer is not subject to a temporary lift of a security freeze.

1 “(4) A consumer reporting agency that receives a request from *[the]* a
2 consumer to temporarily lift a security freeze on a consumer report, other
3 than a consumer report for a protected consumer, under subsection (3) of this
4 section shall comply with the request not later than three business days after
5 receiving from the consumer:

6 “(a) Proper identification;

7 “(b) The unique personal identification number or password or similar
8 device the consumer reporting agency provided under subsection (2) of this
9 section; **and**

10 “(c) An indication of the period of time during which the consumer report
11 must be available to users of the consumer report[; *and*].

12 “*[(d) A fee, if applicable.]*

13 “(5)(a) A security freeze for a consumer report must remain in place until
14 the consumer requests, using a point of contact the consumer reporting
15 agency designates, that the security freeze be removed. A consumer reporting
16 agency shall remove a security freeze within three business days after re-
17 ceiving a request for removal from the consumer, who provides:

18 “(A) Proper identification; **and**

19 “(B) The unique personal identification number or password or similar
20 device the consumer reporting agency provided under subsection (2) of this
21 section.[; *and*]

22 “*[(C) A fee, if applicable.]*

23 “(b) A security freeze for a protective record must remain in place until
24 the protected consumer or a representative requests, using a point of contact
25 the consumer reporting agency designates, that the security freeze be re-
26 moved or that the protective record be deleted. The consumer reporting
27 agency does not have an affirmative duty to notify the protected consumer
28 or the representative that a security freeze is in place or to remove the se-
29 curity freeze or delete the protective record once the protected consumer is
30 no longer a protected consumer. A protected consumer or a representative

1 has the affirmative duty to request that the consumer reporting agency re-
2 move the security freeze or delete the protective record. A consumer report-
3 ing agency shall remove a security freeze or delete a protective record within
4 30 business days after receiving a request for removal or deletion from the
5 protected consumer or a representative, who provides:

6 “(A) Proper identification;

7 “(B) Sufficient proof of authority, as described in ORS 646A.606 (3)(b), if
8 the representative seeks to remove the security freeze or delete the protec-
9 tive record; **and**

10 “(C) Proof that the representative’s authority to act on the protected
11 consumer’s behalf is no longer valid or applicable, if the protected consumer
12 seeks to remove the security freeze or delete the protective record.]; *and*]

13 “[*(D) A fee, if applicable.*]

14 “**SECTION 5.** ORS 646A.610 is amended to read:

15 “646A.610. *[(1) A consumer reporting agency may not charge a fee to a*
16 *consumer or a protected consumer who is the victim of identity theft or to a*
17 *consumer who has reported or a protected consumer for whom a representative*
18 *has reported to a law enforcement agency the theft of personal information,*
19 *provided the consumer or the representative has submitted to the consumer*
20 *reporting agency a copy of a valid police report, incident report or identity theft*
21 *declaration.]*

22 “[*(2)(a) A consumer reporting agency may charge a reasonable fee of not*
23 *more than \$10 to a consumer, other than a consumer described in subsection*
24 *(1) of this section, for each placement of a security freeze, temporary lift of the*
25 *security freeze, removal of the security freeze or replacing a lost personal*
26 *identification number or password previously provided to the consumer.]*

27 “[*(b)(A) Except as provided in subsection (1) of this section and in sub-*
28 *paragraph (B) of this paragraph, a consumer reporting agency may charge a*
29 *reasonable fee of not more than \$10 to place or remove a security freeze for a*
30 *protected consumer’s consumer report or protective record or to create or delete*

1 *a protective record for a protected consumer.]*

2 “[*(B) A consumer reporting agency may not charge a fee to place or remove*
3 *a security freeze on an existing consumer report or protective record for a*
4 *protected consumer who is under 16 years of age at the time a representative*
5 *requests the consumer reporting agency to place or remove the security*
6 *freeze.]*

7 **“A consumer reporting agency may not charge a consumer a fee**
8 **or collect from a consumer any money or item of value for:**

9 **“(1) Placing, temporarily lifting or removing a security freeze on**
10 **the consumer’s consumer report.**

11 **“(2) Creating or deleting a protective record.**

12 **“(3) Placing or removing a security freeze on a protective record for**
13 **a protected consumer.**

14 **“(4) Replacing a lost personal identification number, password or**
15 **similar device the consumer reporting agency previously provided to**
16 **the consumer.**

17 **“SECTION 6.** ORS 646A.622 is amended to read:

18 **“646A.622. (1) A person that owns, maintains or otherwise possesses, or**
19 **has control over or access to,** data that includes [*a consumer’s*] personal
20 information that the person uses in the course of the person’s business, vo-
21 cation, occupation or volunteer activities shall develop, implement and
22 maintain reasonable safeguards to protect the security, confidentiality and
23 integrity of the personal information, including safeguards that protect the
24 personal information when the person disposes of the personal information.

25 **“(2) A person complies with subsection (1) of this section if the person:**

26 **“(a) Complies with a state or federal law that provides greater protection**
27 **to personal information than the protections that this section provides.**

28 **“(b) Complies with regulations promulgated under Title V of the Gramm-**
29 **Leach-Bliley Act of 1999 (15 U.S.C. 6801 to 6809) as in effect on [January 1,**
30 **2016] the effective date of this 2018 Act,** if the person is subject to the

1 Act.

2 “(c) Complies with regulations that implement the Health Insurance Por-
3 tability and Accountability Act of 1996 (45 C.F.R. parts 160 and 164) as in
4 effect on [*January 1, 2016*] **the effective date of this 2018 Act**, if the person
5 is subject to the Act.

6 “(d) Implements an information security program that includes:

7 “(A) Administrative safeguards such as:

8 “(i) Designating one or more employees to coordinate the security pro-
9 gram;

10 “(ii) Identifying reasonably foreseeable internal and external risks **with**
11 **reasonable regularity**;

12 “(iii) Assessing whether existing safeguards adequately control the iden-
13 tified risks;

14 “(iv) Training and managing employees in security program practices and
15 procedures **with reasonable regularity**;

16 “(v) Selecting service providers that are capable of maintaining appro-
17 priate safeguards **and adhering to procedures and protocols to which the**
18 **person and the service provider agree**, and requiring the service providers
19 by contract to maintain the safeguards, **procedures and protocols**; [*and*]

20 “(vi) Adjusting the security program in light of business changes, **po-**
21 **tential threats** or new circumstances;

22 “(vii) **Monitoring, verifying, logging and disseminating information**
23 **about security updates and upgrades to software that might be at risk**
24 **of or vulnerable to a breach of security**; and

25 “(viii) **Reviewing user access policies with reasonable regularity**;

26 “(B) Technical safeguards such as:

27 “(i) Assessing risks **and vulnerabilities** in network and software design
28 **and in information collection, processing, transmission, retention, ac-**
29 **cess, storage and disposal and taking timely action to address the risks**
30 **and vulnerabilities with reasonable regularity**;

1 “(ii) *Assessing risks in information processing, transmission and*
2 *storage;*]

3 “(ii) **Applying security updates and upgrades to software that might**
4 **be at risk of or vulnerable to a breach of security;**

5 “(iii) **Monitoring**, detecting, preventing and responding to attacks or
6 system failures; [*and*]

7 “(iv) Testing and monitoring regularly the effectiveness of key controls,
8 systems and procedures **and taking action to reduce or eliminate weak-**
9 **nesses, deficiencies and risks in the controls, systems and procedures;**
10 and

11 “(v) **Isolating and segregating personal information from other in-**
12 **formation and ensuring that only authorized individuals have access**
13 **to the personal information; and**

14 “(C) Physical safeguards such as:

15 “(i) Assessing **known and potential** risks of information **collection,**
16 **storage, usage, retention, access** and disposal **and implementing meth-**
17 **ods to remedy or mitigate identified risks;**

18 “(ii) **Monitoring**, detecting, preventing, **isolating** and responding to in-
19 trusions **timely and with reasonable regularity;**

20 “(iii) Protecting against unauthorized access to or use of personal infor-
21 mation during or after collecting, **using, storing,** transporting, **retaining,**
22 destroying or disposing of the personal information; and

23 “(iv) Disposing of personal information, **whether on or off the person’s**
24 **premises or property,** after the person no longer needs the personal infor-
25 mation for business purposes or as required by local, state or federal law by
26 burning, pulverizing, shredding or modifying a physical record and by de-
27 stroying or erasing electronic media so that the information cannot be read
28 or reconstructed.

29 “(3) A person complies with subsection (2)(d)(C)(iv) of this section if the
30 person contracts with another person engaged in the business of record de-

1 instruction to dispose of personal information in a manner that is consistent
2 with subsection (2)(d)(C)(iv) of this section.

3 “(4) Notwithstanding subsection (2) of this section, a person that is an
4 owner of a small business as defined in ORS 285B.123 (2) complies with
5 subsection (1) of this section if the person’s information security and disposal
6 program contains administrative, technical and physical safeguards and dis-
7 posal measures that are appropriate for the size and complexity of the small
8 business, the nature and scope of the small business’s activities, and the
9 sensitivity of the personal information the small business collects from or
10 about consumers.

11 **“SECTION 7. The amendments to ORS 646A.602, 646A.604, 646A.606,
12 646A.608, 646A.610 and 646A.622 by sections 1 to 6 of this 2018 Act apply
13 to contracts into which a person enters with another person on or af-
14 ter the effective date of this 2018 Act.**

15 **“SECTION 8. This 2018 Act takes effect on the 91st day after the
16 date on which the 2018 regular session of the Seventy-ninth Legislative
17 Assembly adjourns sine die.”.**

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