



TECHNET
THE VOICE OF THE
INNOVATION ECONOMY

February 26, 2019

Re: SB 684- Data Breach

Dear Chair Sen. Floyd Prozanski and members of the Senate Judiciary Committee:

TechNet is the national, bipartisan network of over 80 technology companies that promotes the growth of the innovation economy by advocating a targeted policy agenda at the federal and 50 state level. TechNet's diverse membership includes dynamic American businesses ranging from startups to the most iconic companies on the planet and represents more than three million employees in the fields of information technology, e-commerce, clean energy, gig and sharing economy, venture capital, and finance.

TechNet respectfully submits these comments on SB 684, which relates to actions with respect to a breach of security that involves personal information. TechNet wants to express great appreciation for the hard work that Attorney General Rosenblum and her staff have spent on this complex and important topic throughout the interim. We always appreciate the opportunity to work with her and her staff on these complex issues and we are grateful for the open process.

While we believe that protecting the safety of Oregon residents is necessary, we have recommended changes we would like to see to the bill as drafted. First, SB 684 would require vendors to notify the Attorney General in the event of a breach of security of personal information of more than 250 consumers. However, under most state data breach laws, the covered entity retains the obligation to notify the Attorney General. To create a different approach would create confusion and detract from a vendor's efforts to notify the covered entity and to protect personal information.

Additionally, vendors and covered entities are sophisticated parties that usually provide, by contract, appropriate timelines for notification between the vendor and covered entity. Providing that the vendor must notify the covered entity within 10 days of discovery of a data breach, on its face seems helpful, but in reality it interferes with vendors relationships with covered entities. Moreover, it is unclear whether any other state has a similar provision.

TechNet appreciates the ongoing nature of this conversation and would be happy to answer any questions. Thank you in advance for your consideration on these matters.

Sincerely,

/s/

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