

## **Department of Planning and Budget**

### **2019 Fiscal Impact Statement**

**1. Bill Number:** HB2793

<b>House of Origin</b>	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
<b>Second House</b>	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

**2. Patron:** Ayala

**3. Committee:** Committee Referral Pending

**4. Title:** Cybersecurity; care and disposal of customer records; security for connected devices.

**5. Summary:** Requires any business to take all reasonable steps to dispose of, or arrange for the disposal of, customer records within its custody or control containing personal information when the records are no longer to be retained by the business by shredding, erasing, or otherwise modifying the personal information in those records to make it unreadable or undecipherable. The measure requires any business that owns or licenses personal information about a customer to implement and maintain reasonable security procedures and practices appropriate to the nature of the information in order to protect the personal information from unauthorized access, destruction, use, modification, or disclosure. The measure also requires a manufacturer of a device or other physical object that is capable of connecting directly or indirectly to the Internet to (i) equip the device with reasonable security features, (ii) demonstrate conformity with industry standards for cybersecurity and resiliency, (iii) provide an opt-in forum or registration capability to allow consumers to know when a vulnerability or breach is discovered, (iv) make patch notification and end-of-life support events easily obtainable by registered users of the manufacturer's connected devices, and (v) when it is aware of existing vulnerabilities that put more than 500 users at risk, notify the office of the Chief Information Officer of the Commonwealth and provide remediation steps to consumers without unreasonable delay. The bill has a delayed effective date of January 1, 2020.

**6. Budget Amendment Necessary:** No

**7. Fiscal Impact Estimates:** No state fiscal impact.

**8. Fiscal Implications:** This bill is not expected to have a state fiscal impact.

**9. Specific Agency or Political Subdivisions Affected:** Virginia Information Technologies Agency

**10. Technical Amendment Necessary:** No

**11. Other Comments:** None