

State Corporation Commission 2020 Fiscal Impact Statement

1. Bill Number: HB1334

House of Origin Introduced Substitute Engrossed

Second House In Committee Substitute Enrolled

2. Patron: Keam

3. Committee: Passed Both Houses

4. Title: Insurance data security; required programs and notifications.

5. Summary: Establishes standards for insurance data security and for the investigation of a cybersecurity event and the notification to the Commissioner of Insurance and affected consumers of a cybersecurity event. The bill requires insurers to develop, implement, and maintain a comprehensive written information security program based on an assessment of its risk and that contains administrative, technical, and physical safeguards for the protection of nonpublic information and its information system. The bill requires investigation of potential cybersecurity events and prescribes standards for such investigations. The bill requires, in the event of a cybersecurity event, that an insurer or other entity notify the Commissioner and affected consumers with certain information prescribed by the bill. The bill requires the Commissioner to adopt rules and regulations regarding data security and authorizes the Commissioner to investigate potential violations.

6. Budget amendment necessary: No

7. Fiscal Impact Estimates: No Fiscal Impact on the State Corporation Commission

8. Fiscal Implications: None on the State Corporation Commission

9. Specific agency or political subdivisions affected: State Corporation Commission Bureau of Insurance

10. Technical amendment necessary: No

11. Other comments: House Bill 1334 was introduced by Delegate Keam at the request of the State Corporation Commission Bureau of Insurance to address protection of consumer data as the result of several major insurer data breaches.

Date: 02/26/20/V. Tompkins