MISSISSIPPI LEGISLATURE

By: Senator(s) DeLano

REGULAR SESSION 2022

To: Technology; Judiciary, Division B

## SENATE BILL NO. 2528

1 AN ACT TO AMEND SECTION 75-24-29, MISSISSIPPI CODE OF 1972, 2 TO REQUIRE ANY BUSINESS THAT HAS EXPERIENCED A BREACH OF SECURITY 3 OF THE PERSONAL INFORMATION OF 100 OR MORE AFFECTED INDIVIDUALS TO 4 PROVIDE WRITTEN NOTICE TO THE ATTORNEY GENERAL AS EXPEDITIOUSLY AS 5 POSSIBLE AND WITHOUT UNREASONABLE DELAY; TO PROVIDE THAT THE 6 ATTORNEY GENERAL IS EMPOWERED TO PROMULGATE RULES AND REGULATIONS 7 NECESSARY TO ENFORCE AND EFFECTUATE THE PROVISIONS OF THIS ACT; 8 AND FOR RELATED PURPOSES.

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:
 10 SECTION 1. Section 75-24-29, Mississippi Code of 1972, is
 11 amended as follows:

12 75-24-29. (1) This section applies to any person who 13 conducts business in this state and who, in the ordinary course of 14 the person's business functions, owns, licenses or maintains 15 personal information of any resident of this state.

16 (2) For purposes of this section, the following terms shall 17 have the meanings ascribed unless the context clearly requires 18 otherwise:

(a) "Breach of security" means unauthorized acquisition
of electronic files, media, databases or computerized data
containing personal information of any resident of this state when

S. B. No. 2528 G1/2 22/SS26/R670 PAGE 1 (scm\kr) access to the personal information has not been secured by encryption or by any other method or technology that renders the personal information unreadable or unusable;

(b) "Personal information" means an individual's first name or first initial and last name in combination with any one or more of the following data elements:

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(i) Social security number;

29 (ii) Driver's license number, state identification30 card number or tribal identification card number; or

(iii) An account number or credit or debit card number in combination with any required security code, access code or password that would permit access to an individual's financial account; "personal information" does not include publicly available information that is lawfully made available to the general public from federal, state or local government records or widely distributed media;

(iv) "Affected individual" means any individual
who is a resident of this state whose personal information was, or
is reasonably believed to have been, intentionally acquired by an
unauthorized person through a breach of security.

42 (3) A person who conducts business in this state shall 43 disclose any breach of security to all affected individuals. The 44 disclosure shall be made without unreasonable delay, subject to 45 the provisions of subsections (4) and (5) of this section and the 46 completion of an investigation by the person to determine the

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(4) Any person who conducts business in this state that maintains computerized data which includes personal information that the person does not own or license shall notify the owner or licensee of the information of any breach of the security of the data as soon as practicable following its discovery, if the personal information was, or is reasonably believed to have been, acquired by an unauthorized person for fraudulent purposes.

60 Any notification required by this section shall be (5) delayed for a reasonable period of time if a law enforcement 61 62 agency determines that the notification will impede a criminal 63 investigation or national security and the law enforcement agency 64 has made a request that the notification be delayed. Any such 65 delayed notification shall be made after the law enforcement 66 agency determines that notification will not compromise the 67 criminal investigation or national security and so notifies the 68 person of that determination.

69 (6) Any notice required by the provisions of this section
70 may be provided by one (1) of the following methods: (a) written
71 notice; (b) telephone notice; (c) electronic notice, if the

S. B. No. 2528 **~ OFFICIAL ~** 22/SS26/R670 PAGE 3 (scm\kr) 72 person's primary means of communication with the affected 73 individuals is by electronic means or if the notice is consistent 74 with the provisions regarding electronic records and signatures 75 set forth in 15 USCS 7001; or (d) substitute notice, provided the 76 person demonstrates that the cost of providing notice in 77 accordance with paragraph (a), (b) or (c) of this subsection would exceed Five Thousand Dollars (\$5,000.00), that the affected class 78 79 of subject persons to be notified exceeds five thousand (5,000) 80 individuals or the person does not have sufficient contact information. Substitute notice shall consist of the following: 81 82 electronic mail notice when the person has an electronic mail address for the affected individuals; conspicuous posting of the 83 84 notice on the website of the person if the person maintains one; 85 and notification to major statewide media, including newspapers, radio and television. 86

87 (7) Any person who conducts business in this state that maintains its own security breach procedures as part of an 88 information security policy for the treatment of personal 89 90 information, and otherwise complies with the timing requirements 91 of this section, shall be deemed to be in compliance with the 92 security breach notification requirements of this section if the 93 person notifies affected individuals in accordance with the person's policies in the event of a breach of security. Any 94 95 person that maintains such a security breach procedure pursuant to the rules, regulations, procedures or guidelines established by 96

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S. B. No. 2528 22/SS26/R670 PAGE 4 (scm\kr) 97 the primary or federal functional regulator, as defined in 15 USCS 98 6809(2), shall be deemed to be in compliance with the security 99 breach notification requirements of this section, provided the 100 person notifies affected individuals in accordance with the 101 policies or the rules, regulations, procedures or guidelines 102 established by the primary or federal functional regulator in the 103 event of a breach of security of the system.

104 (8) Failure to comply with the requirements of this section
105 shall constitute an unfair trade practice and shall be enforced by
106 the Attorney General; however, nothing in this section may be
107 construed to create a private right of action.

108 (9) (a) If a covered entity is required to notify, in 109 complying with this section, one hundred (100) or more affected individuals, the entity shall provide written notice of the breach 110 111 to the Office of the Attorney General as expeditiously as possible 112 and without unreasonable delay. 113 Written notice to the Attorney General shall (b) include all of the following: 114 115 (i) A synopsis of the events surrounding the

116 breach at the time that notice is provided;

117 (ii) The approximate number of individuals in the 118 state who were affected by the breach;

119(iii) Any services related to the breach being120offered or scheduled to be offered, without charge, by the covered

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121 <u>entity to affected individuals and instructions on how to use the</u> 122 services; and

123 The name, address, telephone number and email (iv) 124 address of the employee or agent of the disclosing party from whom 125 additional information about the breach may be obtained. 126 (c) If a covered entity learns that in some material 127 respect, the written notice required under this subsection is 128 incomplete or incorrect, such entity shall, as expeditiously as 129 possible and without unreasonable delay, provide the Attorney 130 General with supplemental or updated information regarding the 131 breach. 132 Information marked as confidential that is obtained (d) 133 by the Attorney General under this section shall not be considered 134 a public record subject to disclosure under Section 25-61-1 et 135 seq. 136 (10) The Attorney General shall be empowered to promulgate 137 rules and regulations necessary to carry out, enforce and effectuate the provisions of this section. 138 139 SECTION 2. This act shall take effect and be in force from

140 and after July 1, 2022.