

By: Representative Faulkner

To: Business and Commerce

HOUSE BILL NO. 731

1 AN ACT TO AMEND SECTION 75-24-29, MISSISSIPPI CODE OF 1972,
2 TO REQUIRE BUSINESS ENTITIES TO REPORT BREACHES OF SECURITY TO THE
3 OFFICE OF THE ATTORNEY GENERAL; AND FOR RELATED PURPOSES.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

5 **SECTION 1.** Section 75-24-29, Mississippi Code of 1972, is
6 amended as follows:

7 75-24-29. (1) This section applies to any person who
8 conducts business in this state and who, in the ordinary course of
9 the person's business functions, owns, licenses or maintains
10 personal information of any resident of this state.

11 (2) For purposes of this section, the following terms shall
12 have the meanings ascribed unless the context clearly requires
13 otherwise:

14 (a) "Breach of security" means unauthorized acquisition
15 of electronic files, media, databases or computerized data
16 containing personal information of any resident of this state when
17 access to the personal information has not been secured by



18 encryption or by any other method or technology that renders the
19 personal information unreadable or unusable;

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

23 (i) Social security number;

24 (ii) Driver's license number, state identification
25 card number or tribal identification card number; or

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

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

37 (3) Except as otherwise provided in this section, a person
38 who conducts business in this state shall disclose any breach of
39 security to all affected individuals. The disclosure shall be
40 made without unreasonable delay, subject to the provisions of
41 subsections (4) and (5) of this section and the completion of an
42 investigation by the person to determine the nature and scope of



the incident, to identify the affected individuals, or to restore the reasonable integrity of the data system. Notification shall not be required if, after an appropriate investigation, the person reasonably determines that the breach will not likely result in harm to the affected individuals.

(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.

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

(6) Any notice required by the provisions of this section may be provided by one (1) of the following methods: (a) written notice; (b) telephone notice; (c) electronic notice, if the person's primary means of communication with the affected



68 individuals is by electronic means or if the notice is consistent
69 with the provisions regarding electronic records and signatures
70 set forth in 15 USCS 7001; or (d) substitute notice, provided the
71 person demonstrates that the cost of providing notice in
72 accordance with paragraph (a), (b) or (c) of this subsection would
73 exceed Five Thousand Dollars (\$5,000.00), that the affected class
74 of subject persons to be notified exceeds five thousand (5,000)
75 individuals or the person does not have sufficient contact
76 information. Substitute notice shall consist of the following:
77 electronic mail notice when the person has an electronic mail
78 address for the affected individuals; conspicuous posting of the
79 notice on the website of the person if the person maintains one;
80 and notification to major statewide media, including newspapers,
81 radio and television.

82 (7) Any person who conducts business in this state that
83 maintains its own security breach procedures as part of an
84 information security policy for the treatment of personal
85 information, and otherwise complies with the timing requirements
86 of this section, shall be deemed to be in compliance with the
87 security breach notification requirements of this section if the
88 person notifies affected individuals in accordance with the
89 person's policies in the event of a breach of security. Any
90 person that maintains such a security breach procedure pursuant to
91 the rules, regulations, procedures or guidelines established by
92 the primary or federal functional regulator, as defined in 15 USCS



6809(2), shall be deemed to be in compliance with the security breach notification requirements of this section, provided the person notifies affected individuals in accordance with the policies or the rules, regulations, procedures or guidelines established by the primary or federal functional regulator in the event of a breach of security of the system.

(8) (a) When a person who conducts business in this state is required to notify more than one hundred (100) affected individuals, written notice of the breach shall be provided to the Office of the Attorney General as expeditiously as possible and without unreasonable delay.

(b) Written notice to the Attorney General shall include all of the following:

(i) A synopsis of the events surrounding the breach at the time that notice is provided;

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

(iii) Any services related to the breach being offered or scheduled to be offered, without charge, by the covered entity to individuals and instructions on how to use the services; and

(iv) The name, address, telephone number, and email address of the employee or agent of the disclosing party from whom additional information may be obtained about the breach.



117 (c) When the person who conducts business in this state
118 learns that in some material respect the written notice required
119 under this subsection is incomplete or incorrect, such entity
120 shall, as expeditiously as possible and without unreasonable
121 delay, provide the Attorney General with supplemental or updated
122 information regarding the breach.

123 (d) Any information submitted to the Attorney General
124 under this section is exempt from the Mississippi Public Records
125 Act of 1983.

126 (9) The Attorney General is empowered to promulgate rules
127 and regulations necessary to carry out, enforce, and effectuate
128 the provisions of this section.

129 (* * *10) Failure to comply with the requirements of this
130 section shall constitute an unfair trade practice and shall be
131 enforced by the Attorney General; however, nothing in this section
132 may be construed to create a private right of action.

133 **SECTION 2.** This act shall take effect and be in force from
134 and after July 1, 2025.

