

**HB0974/657078/1**

BY: Finance Committee

AMENDMENTS TO HOUSE BILL 974  
(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 10, after “given;” insert “authorizing a certain business to provide a certain required notice in a certain manner under certain circumstances;”; in line 12, before “certain” insert “a”; in line 13, strike “terms” and substitute “term”; in line 19, strike the third comma; and in the same line, strike “14-3506”.

On page 2, in line 1, before “and” insert “14-3506”.

AMENDMENT NO. 2

On page 2, in line 17, strike “, **IN STORAGE OR IN TRANSIT,**”; strike beginning with the colon in line 18 down through “**RENDERS**” in line 23 and substitute “**RENDERS**”; strike beginning with “**HAS**” in line 25 down through “**160.103**” in line 26 and substitute “**MEANS ANY INFORMATION CREATED BY AN ENTITY COVERED BY THE FEDERAL HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 REGARDING AN INDIVIDUAL’S MEDICAL HISTORY, MEDICAL CONDITION, OR MEDICAL TREATMENT OR DIAGNOSIS**”; in line 27, strike “an” and substitute “:

**(I) AN**”;

and in line 31, strike “(i)” and substitute “**1.**”.

On page 3, in lines 1, 3, 6, 9, and 17, strike “(ii)”, “(iii)”, “(iv)”, “**(V)**”, and “**(VII)**”, respectively, and substitute “**2.**”, “**3.**”, “**4.**”, “**5.**”, and “**6.**”, respectively; in line 3, strike “A financial” and substitute “**AN**”; in the same line, strike “including”; in the same line, after the second “number” insert a comma; in the same line, after “or” insert “**A**”; in line 4, strike “that”; in line 5, strike “would permit” and substitute “**THAT PERMITS**”; in line

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10, strike “**THAT**”; in line 12, before “**PERMITS**” insert “**THAT**”; in line 13, after “**INFORMATION;**” insert “**OR**”; strike in their entirety lines 14 through 16, inclusive; in line 17, strike the comma; in line 18, strike “**INCLUDING**”; in the same line, strike “**DATA**”; and in line 23, after “**ACCOUNT**” insert “**;** **OR**”

**(II) A USER NAME OR E-MAIL ADDRESS IN COMBINATION WITH A PASSWORD OR SECURITY QUESTION AND ANSWER THAT PERMITS ACCESS TO AN INDIVIDUAL’S E-MAIL ACCOUNT**.

On pages 3 and 4, strike in their entirety the lines beginning with line 31 on page 3 through line 25 on page 4, inclusive.

On page 4, in line 26, strike “**(G)**” and substitute “**(F)**”.

On page 6, in line 4, strike the brackets; strike beginning with “**WHETHER**” in line 4 down through “**THE**” in line 5; in line 6, strike “**OCCURRED OR WILL OCCUR**” and substitute “**BEEN OR WILL BE MISUSED**”; strike beginning with “that” in line 8 down through “system” in line 11 and substitute “**THAT THE BREACH OF THE SECURITY OF THE SYSTEM CREATES A LIKELIHOOD THAT PERSONAL INFORMATION HAS BEEN OR WILL BE MISUSED**”; in line 21, after “information” insert “**OF AN INDIVIDUAL RESIDING IN THE STATE**”; in the same line, after “license” insert “**, WHEN IT DISCOVERS OR IS NOTIFIED OF A BREACH OF THE SECURITY OF A SYSTEM,**”; in the same line, after “notify” insert “**, AS SOON AS PRACTICABLE,**”; in line 22, strike the first “a” and substitute “**THE**”; and strike beginning with “if” in line 22 down through “State” in line 24.

On page 7, in line 5, strike “subsections (b) and (c)” and substitute “**SUBSECTION (B)**”; and in line 30, strike “The” and substitute “**EXCEPT AS PROVIDED IN SUBSECTION (I) OF THIS SECTION, THE**”.

On page 8, after line 18, insert:

“(I) (1) IN THE CASE OF A BREACH OF THE SECURITY OF A SYSTEM INVOLVING PERSONAL INFORMATION THAT PERMITS ACCESS TO AN INDIVIDUAL’S E-MAIL ACCOUNT UNDER § 14-3501(E)(1)(II) OF THIS SUBTITLE AND NO OTHER PERSONAL INFORMATION UNDER § 14-3501(E)(1)(I) OF THIS SUBTITLE, THE BUSINESS MAY COMPLY WITH THE NOTIFICATION REQUIREMENT UNDER SUBSECTION (B) OF THIS SECTION BY PROVIDING THE NOTIFICATION IN ELECTRONIC OR OTHER FORM THAT DIRECTS THE INDIVIDUAL WHOSE PERSONAL INFORMATION HAS BEEN BREACHED PROMPTLY TO:

(I) CHANGE THE INDIVIDUAL’S PASSWORD AND SECURITY QUESTION OR ANSWER, AS APPLICABLE; OR

(II) TAKE OTHER STEPS APPROPRIATE TO PROTECT THE E-MAIL ACCOUNT WITH THE BUSINESS AND ALL OTHER ONLINE ACCOUNTS FOR WHICH THE INDIVIDUAL USES THE SAME USER NAME OR E-MAIL AND PASSWORD OR SECURITY QUESTION OR ANSWER.

(2) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, THE NOTIFICATION PROVIDED UNDER PARAGRAPH (1) OF THIS SUBSECTION MAY BE GIVEN TO THE INDIVIDUAL BY ANY METHOD DESCRIBED IN THIS SECTION.

(3) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE NOTIFICATION PROVIDED UNDER PARAGRAPH (1) OF THIS SUBSECTION MAY NOT BE GIVEN TO THE INDIVIDUAL BY SENDING NOTIFICATION BY E-MAIL TO THE E-MAIL ACCOUNT AFFECTED BY THE BREACH.

(II) THE NOTIFICATION PROVIDED UNDER PARAGRAPH (1) OF THIS SUBSECTION MAY BE GIVEN BY A CLEAR AND CONSPICUOUS NOTICE

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**DELIVERED TO THE INDIVIDUAL ONLINE WHILE THE INDIVIDUAL IS CONNECTED TO THE AFFECTED E-MAIL ACCOUNT FROM AN INTERNET PROTOCOL ADDRESS OR ONLINE LOCATION FROM WHICH THE BUSINESS KNOWS THE INDIVIDUAL CUSTOMARILY ACCESSES THE ACCOUNT.**”;

in lines 19 and 21, strike “(i)” and “(j)”, respectively, and substitute “**(J)**” and “**(K)**”, respectively; in line 30, strike the brackets; and strike beginning with “NOT” in line 30 down through “INDIVIDUALS” in line 31.