CONFERENCE COMMITTEE REPORT Senate Bill No. 506 By Senator Crowe

June 2, 2014

To the Honorable President and Members of the Senate and to the Honorable Speaker and Members of the House of Representatives.

Ladies and Gentlemen:

We, the conferees appointed to confer over the disagreement between the two houses concerning Senate Bill No. 506 by Senator Crowe, recommend the following concerning the Reengrossed bill:

- 1. That the House Committee Amendments Nos. 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, and 23, proposed by the House Committee on Commerce and adopted by the House of Representatives on May 28, 2014, be rejected.
- 2. That the House Committee Amendments Nos. 1, 2, and 3, proposed by the House Committee on Commerce and adopted by the House of Representatives on May 28, 2014 be accepted.
- 3. That Legislative Bureau Amendments Nos. 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, and 14, proposed by the legislative Bureau and adopted by the House of Representatives on May 30, 2014 be rejected.
- 4. That Legislative Bureau Amendments Nos. 1, and 2, proposed by the legislative Bureau and adopted by the House of Representatives on May 30, 2014 be accepted.
- 5. That the set of House Floor Amendments proposed by Representative Ponti and adopted by the House of Representatives on May 30, 2014, be rejected.
- 6. That the following amendments to the reengrossed bill be adopted:

AMENDMENT NO. 1

On page 1, line 4, change "personal identifying" to "personally identifiable"

AMENDMENT NO. 2

On page 1, line 6, after "vendors;" delete the rest of the line and delete lines 7 and 8, and insert "; and to provide for related matters."

AMENDMENT NO. 3

On page 1, line 10, after "R.S. 9:3568(E)" delete "and"

AMENDMENT NO. 4

On page 1, line 11, delete "(F) are" and insert "is"

AMENDMENT NO. 5

On page 1, line 13, change "personal identifying" to "personally identifiable"

AMENDMENT NO. 6

On page 1, line 15, after "<u>**D**</u>." delete the rest of the line and insert the following:

"Any personally identifiable information which is submitted to or obtained by any vendor from the Department of Education shall not be shared in violation of that certain Act which originated as House Bill No. 1076 of the 2014 Regular Session."

AMENDMENT NO. 7

On page 1, delete lines 16 and 17

AMENDMENT NO. 8

On page 2, delete lines 1 through 29

AMENDMENT NO. 9

On page 3, delete lines 1 through 18

AMENDMENT NO. 10

On page 3, delete lines 26 through 29

AMENDMENT NO. 11

On page 4, delete lines 1 through 29

AMENDMENT NO. 12

On page 5, delete line 1 through 29

AMENDMENT NO. 13

On page 6, delete lines 1 through 6 and insert the following:

"Section 2. This Act shall become effective on August 1, 2014, but only if and when the proposed Act which originated as House Bill No. 1076 of this 2014 Regular Session of the Legislature becomes effective.

Section 3. The Louisiana Law Institute is hereby directed to make necessary technical corrections to the provisions of this Act."

Respectfully submitted,

Senators:

Representatives:

Senator A. G. Crowe

Representative Erich E. Ponti

Senator Daniel "Danny" Martiny

Representative Stephen E. Pugh

Senator Edwin R. Murray

Representative Thomas Carmody

The legislative instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Carla Roberts.

CONFERENCE COMMITTEE REPORT DIGEST

Senate Bill No. 506 by Senator Crowe

Keyword and summary of the bill as proposed by the Conference Committee

IDENTITY DATA. Provides relative to nondisclosure of personally identifiable information. (8/1/14)

Report adopts House amendments to:

1. Made technical changes to <u>present law</u>.

Report rejects House amendments which would have:

- 2. Changed <u>proposed law</u> to require any vendor who fails to secure a person's personal identifying information to provide certain notification requirements pursuant to <u>present law</u> (R.S. 51:3074).
- 4. Required vendor to agree to hold harmless, protect, defend, and indemnify the state of Louisiana and the contracting department, office, or agency of the state, provided that the security breach was not caused by the department, office, or agency the state.
- 5. Required the Division of Administration to establish policy and guidelines regarding insurance requirements for any contract or contract renewal between the state and a vendor entered into on or after January 1, 2015, and further added that a vendor may be required to provide a policy of insurance to cover any claims arising from the vendor's unauthorized distribution of personal identifying information.
- 6. Required for any contract or contract renewal entered into on or after January 1, 2015, between the state and a vendor, to contain a clause tailored to the nature and scope of the contract setting forth the obligations of the vendor to protect personal identifying information.
- 7. Required that no class action shall lie for any violation of <u>present</u> or <u>proposed law</u>.

Report amends the bill to:

- 1. Changes the term from "personal identifying information" to "personally identifiable information"
- 2. Provides that any personally identifiable information which is submitted to or obtained by any vendor from the state Department of Education shall not be shared in violation of that certain Act which originated as House Bill No. 1076 of the 2014 Regular Session and includes such vendors in the list of entities from which damages are recoverable.
- 3. Directs the Louisiana Law Institute to make necessary technical corrections to the provisions of this Act.

Digest of the bill as proposed by the Conference Committee

Present law provides relative to identity theft.

Proposed law makes certain technical changes to present law.

<u>Present law</u> provides that each creditor, potential creditor, credit reporting agency, or other entity which violates the provisions of <u>present law</u> shall be liable to the victim of an identity theft for all of the documented out-of-pocket expenses caused by such creditor, potential creditor, credit reporting agency, or other entity and suffered by the victim as a result of the identity theft, plus reasonable attorney fees.

<u>Proposed law</u> retains <u>present law</u> but provides that damages may <u>also</u> be awarded where a person is harmed by a vendor's distribution of the person's personally identifiable information.

<u>Proposed law</u> provides that any personally identifiable information which is submitted to or obtained by any vendor from the state Department of Education shall not be shared in violation of that certain Act which originated as House Bill No. 1076 of the 2014 Regular Session.

<u>Proposed law</u> provides that <u>proposed law</u> will become effective on August 1, 2014, but only if and when the proposed Act which originated as House Bill No. 1076 of this 2014 Regular Session of the Legislature becomes effective.

<u>Proposed law</u> provides that the Louisiana Law Institute is directed to make necessary technical corrections to proposed law.