# MAINE STATE LEGISLATURE

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1 L.D. 144 Date: 4/27/15 (Filing No. H-101) 2 INSURANCE AND FINANCIAL SERVICES 3 Reproduced and distributed under the direction of the Clerk of the House. 4 STATE OF MAINE 5 HOUSE OF REPRESENTATIVES 6 127TH LEGISLATURE 7 8 FIRST REGULAR SESSION COMMITTEE AMENDMENT "H" to H.P. 102, L.D. 144, Bill, "An Act To 9 Protect the Privacy of Consumers Who Use Credit Cards for Online Purchases of 10 Products" 11 12 Amend the bill by striking out the title and substituting the following: 'Resolve, To Study State and Federal Laws Regarding Online Privacy and Data 13 14 Security To Develop Ways To Further Protect Consumers from Identity Theft and 15 Amend the bill by striking out everything after the title and before the summary and 16 17 inserting the following: 18 'Sec. 1. Task force established. Resolved: That the Task Force To Study State 19 and Federal Laws Regarding Online Privacy and Data Security To Develop Ways To Further Protect Consumers from Identity Theft and Fraud, referred to in this resolve as 20 21 "the task force," is established; and be it further Sec. 2. Task force membership. Resolved: That the task force consists of 13 22 members appointed as follows: 23 24 1. Three members of the Senate appointed by the President of the Senate, including 25 members from each of the 2 parties holding the largest number of seats in the Legislature; 26 2. Four members of the House of Representatives appointed by the Speaker of the 27 House, including members from each of the 2 parties holding the largest number of seats 28 in the Legislature; 29 3. Two members appointed by the President of the Senate, one who represents online 30 retailers and one who represents the information technology industry; 31 4. Two members appointed by the Speaker of the House, one who represents an 32 international privacy association with expertise in privacy and data security and one who 33 represents financial institutions or credit unions; and

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- 1 Two members appointed by the Governor, one who represents consumer 2 protection advocates and one who represents an organization whose mission is to protect 3 the United States Constitution and the privacy of citizens; and be it further Sec. 3. Chairs. Resolved: That the first-named Senate member is the Senate 4 chair and the first-named House of Representatives member is the House chair of the task 5 6 force; and be it further 7 Appointments; convening of task force. Resolved: Sec. 4. 8 appointments must be made no later than 30 days following the effective date of this 9 resolve. The appointing authorities shall notify the Executive Director of the Legislative Council once all appointments have been completed. After appointment of all members, 10
  - Sec. 5. Duties. Resolved: That the task force shall:
  - 1. Study state and federal laws regarding online privacy and data security;
  - 2. Review best practices from other states to protect consumers against online identity theft;

the chairs shall call and convene the first meeting of the task force. If 30 days or more

after the effective date of this resolve a majority of but not all appointments have been

made, the chairs may convene the task force to meet and conduct its business; and be it

- 3. Identify and analyze best practices from other states for data security; and
- 4. Identify policy options for the State to consider to protect consumers from identity theft and fraud when making purchases online; and be it further
- Sec. 6. Meetings. Resolved: That meetings of the task force must be conducted in public in accordance with the Maine Revised Statutes, Title 1, chapter 13. The task force shall provide notice of its meetings to the Joint Standing Committee on Insurance and Financial Services; and be it further
- Sec. 7. Staff assistance. Resolved: That the Legislative Council shall provide necessary staffing services to the task force. Upon request, the Department of the Attorney General, the Department of Professional and Financial Regulation and the Department of Administrative and Financial Services shall provide information and assistance to the task force; and be it further
- Sec. 8. Report. Resolved: That, no later than December 2, 2015, the task force shall submit a report that includes its findings and recommendations, including suggested legislation, for presentation to the Second Regular Session of the 127th Legislature; and be it further
- Sec. 9. Funding. Resolved: That the task force may seek funding contributions to fund the costs of the study. All funding is subject to approval by the Legislative Council in accordance with its policies.'

38 **SUMMARY** 

> This amendment is the majority report of the committee. This amendment replaces the bill and changes it into a resolve. The amendment establishes a task force to study

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state and federal laws regarding online privacy and data security. The task force is composed of 13 members, including 7 Legislators and 6 representatives of privacy and data security associations, consumer protection advocates, financial institutions, online retailers, technology companies and an organization whose mission is to protect the United States Constitution and the privacy of citizens. The amendment requires the task force to identify policy options for the State to consider to protect consumers from identity theft and fraud when making purchases online. The amendment requires the task force to report back to the Legislature before the Second Regular Session of the 127th Legislature.

FISCAL NOTE REQUIRED (See attached)

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## 127th MAINE LEGISLATURE

LD 144

LR 87(02)

An Act To Protect the Privacy of Consumers Who Use Credit Cards for Online Purchases of Products

Fiscal Note for Bill as Amended by Committee Amendment 'H' (H-101)

Committee: Insurance and Financial Services

Fiscal Note Required: Yes

### **Fiscal Note**

Legislative Cost/Study

### Legislative Cost/Study

The general operating expenses of this study are projected to be \$3,750 in fiscal year 2015-16. The Legislature's proposed budget includes \$10,000 in fiscal year 2015-16 for legislative studies. Whether the amounts are sufficient to fund all studies will depend on the number of studies authorized by the Legislative Council and the Legislature. The additional costs of providing staffing assistance to the study during the interim can be absorbed utilizing existing budgeted staff resources.

#### Fiscal Detail and Notes

Any additional costs to specified departments to provide information and assistance to the task force/study are assumed to be minor and can be absorbed within exiting budgeted resources.