## MAINE STATE LEGISLATURE

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# State Of Maine 122nd Legislature

# First Regular Session and First Special Session

#### **Bill Summaries**

### Joint Standing Committee on Insurance and Financial Services

### August 2005

<u>Members:</u> Sen. Nancy B. Sullivan, Chair Sen. Arthur F. Mayo III Sen. Peter Mills

Rep. Anne C. Perry, Chair Rep. Lisa T. Marrache Rep. John R. Brautigam Rep. Charles William Harlow Rep. Donald E. Pilon Rep. Kevin J. Glynn Rep. Michael A. Vaughan Rep. R. Kenneth Lindell Rep. Jonathan B. McKane Rep. Wesley E. Richardson

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#### Maine State Legislature



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## 122nd Legislature First Regular Session and First Special Session

## Summary of Legislation Considered by the Joint Standing Committees August 2005

Enclosed please find a summary of all bills, resolves, joint study orders, joint resolutions and Constitutional resolutions that were considered by the joint standing select committees of the Maine Legislature this past session. The document is a compilation of bill summaries which describe each bill and relevant amendments, as well as the final action taken. Also included are statistical summaries of bill activity this session for the Legislature and each of its joint standing committees.

The document is organized for convenient reference to information on bills considered by the committees. It is organized by committees and within committees by bill (LD) number. The committee report(s), prime sponsor for each bill and the lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are listed by paper number. A subject index for each committee is included immediately before the bill summaries for that committee, and a numerical index by LD number is included at the back of the document. A separate publication, <u>History and Final Disposition of Legislative Documents</u>, may also be helpful in providing information on the disposition of bills. These bill summaries also are available at the Law and Legislative Reference Library and on the Internet (www.state.me.us/legis/opla).

Final action on each bill is noted to the right of the bill title. The abbreviations used for various categories of final action are as follows:

CARRIED OVER	Bill Carried Over to Second Regular Session
CON RES XXX	Bill Carried Over to Second Regular Session Chapter # of Constitutional Resolution passed by both Houses
CONF CMTE UNABLE TO AGREE	
	House & Senate disagree; bill died
DIED IN CONCURRENCE One be	ody accepts ONTP report; the other indefinitely postpones the bill
DIED ON ADJOURNMENT	
EMERGENCY	Enacted law takes effect sooner than 90 days
FAILED EMERGENCY ENACTMENT/FINAL PASSAGE	Emergency bill failed to get 2/3 vote
FAILED ENACTMENT/FINAL PASSAGE	Bill failed to get majority vote
FAILED MANDATE ENACTMENT	Bill imposing local mandate failed to get 2/3 vote
NOT PROPERLY BEFORE THE BODY	Ruled out of order by the presiding officers; bill died
INDEF PP	Bill Indefinitely Postponed
ONTP	Ought Not To Pass report accepted
OTP ND	Committee report Ought To Pass In New Draft
OTP ND/NT	
P&S XXX	Chapter # of enacted Private & Special Law
PUBLIC XXX	
RESOLVE XXX	Chapter # of finally passed Resolve
UNSIGNED	Bill held by Governor
VETO SUSTAINED	Legislature failed to override Governor's Veto

Please note the effective date for all non-emergency legislation enacted in the First Regular Session (unless otherwise specified in a particular law) is *June 29, 2005*; and for non-emergency legislation enacted in the First Special Session is *September 17, 2005*.

#### Joint Standing Committee on Insurance and Financial Services

LD 1671

#### An Act To Protect Maine Citizens from Identity Theft

**PUBLIC 379** 

Sponsor(s)	Committee Report	Amendments Adopted
PELLETIER-	OTP-AM	H-654
SIMPSON		
HOBBINS		

LD 1671 proposed to require an entity engaged in business in Maine that is in possession of electronic data containing personal information to disclose any unauthorized acquisition or suspected unauthorized acquisition of that personal information to a person whose personal information may have been acquired.

Committee Amendment "A" (H-654) proposed to replace the bill. The amendment proposed to establish notification requirements for information brokers, defined as persons or entities engaged in the business of collecting personal information for the purpose of providing such information to 3rd parties, in the event of a security breach, which is defined as unauthorized acquisition of computerized data that compromises the security, confidentiality or integrity of personal information. It proposed to require information brokers to provide notice to residents of the State whose personal information has been affected by a security breach, to state regulatory agencies and, in the event that at least 1,000 persons are affected, to consumer reporting agencies. The amendment proposed to provide for enforcement penalties for violations of notification requirements. The amendment proposed an effective date for the security breach notification requirements of January 31, 2006. The amendment proposed to require the Department of Professional and Financial Regulation to conduct a study with interested persons to examine additional issues related to data security and security breach requirements and to report to the Joint Standing Committee on Insurance and Financial Services. It also proposed to require the Chief Information Officer to report to the committee regarding the State's policies to protect the privacy and security of personal information maintained by State Government.

#### Enacted law summary

Public Law 2005, chapter 379 establishes notification requirements for information brokers, defined as persons or entities engaged in the business of collecting personal information for the purpose of providing such information to 3rd parties, in the event of a security breach, which is defined as unauthorized acquisition of computerized data that compromises the security, confidentiality or integrity of personal information. It requires information brokers to provide notice to residents of the State whose personal information has been affected by a security breach, to state regulatory agencies and, in the event that at least 1,000 persons are affected, to consumer reporting agencies. The law provides for enforcement and penalties for violations of the notification requirements. The effective date for the security breach notification requirements is January 31, 2006.

Public Law 2005, chapter 379 requires the Department of Professional and Financial Regulation to conduct a study with interested persons to examine additional issues related to data security and security breach requirements and to report to the Joint Standing Committee on Insurance and Financial Services. It also requires the Chief Information Officer to report to the committee regarding the State's policies to protect the privacy and security of personal information maintained by State Government.