

HOUSE COMMITTEE AMENDMENTS

Amendments proposed by House Committee on Commerce to Reengrossed Senate Bill No. 506 by Senator Crowe

1 AMENDMENT NO. 1

2 On page 1, line 2, delete "R.S. 9:3568(D)" and insert "R.S. 9:3568(C)(1) and (D)"

3 AMENDMENT NO. 2

4 On page 1, line 10, delete "R.S. 9:3568(D) is" and insert "R.S. 9:3568(C)(1) and D) are"

5 AMENDMENT NO. 3

6 On page 1, between lines 14 and 15, insert the following:

7 "C. Security alerts. (1) A person who receives notification of a security alert
 8 **under pursuant to** R.S. 9:3571.1 in connection with a request for a consumer report
 9 for the approval of a credit-based application, including an application for a new
 10 extension of credit, a purchase, lease, or rental agreement for goods, or for an
 11 application for a noncredit-related service, shall not lend money, extend credit, or
 12 authorize an application without taking reasonable steps to verify the consumer's
 13 identity. For the purposes of this Section, "extension of credit" does not include an
 14 increase in an existing open-end credit plan, as defined in Regulation Z of the
 15 Federal Reserve System (~~12 C.F.R. 226.2~~ **12 C.F.R. 1036**), or any change to or
 16 review of an existing credit account.

17 * * *

18 AMENDMENT NO. 4

19 On page 1, line 15, delete "**D.(1)(a)**" and insert "**D. Vendor contracts and prohibitions.**
 20 **(1)(a)**" and change "**personally**" to "**personal**"

21 AMENDMENT NO. 5

22 On page 2, line 2, after "**contract**" insert a comma "," and "**or for the vendor's auditing or**
 23 **accounting compliance purposes**"

24 AMENDMENT NO. 6

25 On page 2, line 10, after "**means**" delete "**an**" and insert "**a written**"

26 AMENDMENT NO. 7

27 On page 2, line 12, delete the comma "," and "**whether written or oral**"

28 AMENDMENT NO. 8

29 On page 2, line 17, delete "**R.S. 14:67.16(3)**" and insert "**R.S. 14:67.16(A)(3)**"

30 AMENDMENT NO. 9

31 On page 3, line 1, after "**state**" insert a comma ","

1 AMENDMENT NO. 10

2 On page 3, line 4, after "state" insert a comma ","

3 AMENDMENT NO. 11

4 On page 3, line 5, delete "E.(1)" and insert "E. Inapplicability to certain federal
5 provisions. (1)"

6 AMENDMENT NO. 12

7 On page 3, line 6, after "received" insert a comma ","

8 AMENDMENT NO. 13

9 On page 3, between lines 16 and 17, insert the following:

10 "(3)(a) The provisions of Subsection D of this Section shall not apply to
11 any of the following:

12 (i) A federally insured financial institution or its subsidiaries or
13 affiliates.

14 (ii) A vendor who is governed by the Fair Credit Reporting Act, 15
15 U.S.C. 1681, et. seq., or the Gramm-Leach-Bliley Act, 15 U.S.C. 6801, et seq.

16 (iii) A health insurance issuer that insures or administers a health plan
17 for the state or a political subdivision and such issuer is in compliance with the
18 privacy requirements of the federal Health Insurance Portability and
19 Accountability Act of 1996 (42 U.S.C. 1320d).

20 (iv) Any public records available to the public pursuant to the "Public
21 Records Law", R.S. 44:1.1, et seq., or any records that are publically available
22 and obtained from a clerk of court or law enforcement agency.

23 (v) A cooperative agreement entered into by the secretary of state
24 pursuant to R.S. 18:18(D), if the agreement does not provide for personal
25 identifying information to be maintained by anyone who is not an employee of
26 the secretary of state or an employee of a group of states who enter into the
27 cooperative endeavor agreement, and if the cooperative agreement contains a
28 provision for the privacy of the information or data that complies fully with
29 applicable state and federal law."

30 AMENDMENT NO. 14

31 On page 3, line 17, change "(3)" to "(b)"

32 AMENDMENT NO. 15

33 On page 3, between lines 18 and 19, insert the following:

34 "(c) Nothing in this Section shall be construed or deemed to deny the
35 legislative auditor access to any data or information required pursuant to R.S.
36 24:513, et seq."

37 AMENDMENT NO. 16

38 On page 3, line 19, delete "Effective January 1, 2004, each" and insert "Each"

39 AMENDMENT NO. 17

40 On page 3, line 27, delete "to be"

1 AMENDMENT NO. 18

2 On page 4, line 3, after "**office,**" insert "**or**"

3 AMENDMENT NO. 19

4 On page 4, line 8, change "**used**" to "**provided**"

5 AMENDMENT NO. 20

6 On page 4, line 28, after "**contract**" and before the comma "," insert "**or statute**"

7 AMENDMENT NO. 21

8 On page 5, delete line 4 and insert in lieu thereof "**of R.S. 51:3074.**"

9 AMENDMENT NO. 22

10 On page 5, line 10, after "**office,**" insert "**or**" and after "**state**" insert a comma "," and
11 "**provided that the security breach was not caused by the department, office, or agency**
12 **of the state**"

13 AMENDMENT NO. 23

14 On page 5, delete lines 11 through 29 in their entirety and on page 6, delete lines 1 through
15 6 in their entirety and insert in lieu thereof the following:

16 **"(2) The Division of Administration shall establish policy and guidelines**
17 **regarding insurance requirements for any contract, or renewal of a contract,**
18 **entered into on or after January 1, 2015, between any department, office, or**
19 **agency of the state and a vendor and may require a vendor to provide a policy**
20 **of insurance to cover any claims that may arise from the unauthorized**
21 **distribution of personal identifying information.**

22 **(3) Any contract, or renewal of a contract, entered into on or after**
23 **January 1, 2015, between any department, office, or agency of the state and a**
24 **vendor, in which the scope of the supplies or services provided by the vendor**
25 **requires the vendor to maintain personal identifying information, shall contain**
26 **a clause tailored to the nature and scope of the contract setting forth the**
27 **obligations of the vendor to protect personal identifying information. The**
28 **following clause may be used in any contract in which the vendor is required to**
29 **maintain personal identifying information:**

30 **CONFIDENTIALITY**

31 **Any confidential data which is transmitted or obtained by the vendor by**
32 **virtue of this contract or agreement shall be kept secure. The vendor shall not**
33 **use the data for any purpose other than as necessary for the performance of this**
34 **contract or agreement without the prior written approval of the department,**
35 **office, or agency of the state. The vendor shall not publish any document,**
36 **whether in paper copy or electronic form or otherwise disclose to any third**
37 **party, any data or information in any form which would directly or indirectly**
38 **make the person's identity easily traceable without the prior written approval**
39 **of the department, office, or agency.**

40 **The vendor acknowledges that the vendor is bound by the provisions of**
41 **Louisiana law for any unauthorized distribution of personal identifying**
42 **information.**

43 **The vendor agrees to hold harmless any department, office, or agency of**
44 **the state for any unauthorized distribution of personal identifying information;**
45 **however, the vendor shall not indemnify the state for that portion of any claim,**
46 **loss, or damage arising hereunder due to the negligent or intentional act or**
47 **failure of the state.**

1 **D. The provisions of this Chapter shall not apply to any of the following:**

2 **(1) A nationwide financial filing, licensing, or registry system including**
3 **any of the following:**

4 **(a) Financial Industry Regulatory Authority.**

5 **(b) Nationwide Mortgage Licensing System and Registry.**

6 **(c) Central Registration Depository.**

7 **(2) Any information subject to the Federal Driver Privacy Protection**
8 **Act, 18 U.S.C. 2721, et seq., that is collected, received, or used by a vendor**
9 **pursuant to a contract with the Department of Public Safety and Corrections.**

10 **(3) A federally insured financial institution or its subsidiaries or**
11 **affiliates.**

12 **(4) The Fair Credit Reporting Act, 15 U.S.C. 1681, et seq., or the**
13 **Gramm-Leach-Bliley Act, 15 U.S.C. 6801, et seq.**

14 **(5) A health insurance issuer that insures or administers a health plan**
15 **for the state or a political subdivision of the state and such issuer is in**
16 **compliance with the privacy requirements of the federal Health Insurance**
17 **Portability and Accountability Act of 1996 (42 U.S.C. 1320d).**

18 **(6) Any public records available to the public pursuant to the "Public**
19 **Records Law", R.S. 44:1.1, et seq., or any records that are publically available**
20 **and obtained from a clerk of court or law enforcement agency.**

21 **(7) A cooperative agreement entered into by the secretary of state**
22 **pursuant to R.S. 18:18(D), if the agreement does not provide for personal**
23 **identifying information to be maintained by anyone who is not an employee of**
24 **the secretary of state or an employee of a group of states who enter into the**
25 **cooperative endeavor agreement, and if the cooperative agreement contains a**
26 **provision for the privacy of the information or data that complies fully with**
27 **applicable state and federal law.**

28 **E. Nothing in this Chapter shall be construed or deemed to deny the**
29 **legislative auditor access to any data or information required pursuant to R.S.**
30 **24:513, et seq."**