

GENERAL ASSEMBLY

Proposed cybersecurity bill would require notifying victims within 15 days of breach

By Joe Baker
Staff writer

PROVIDENCE — More than 80 million subscribers to Anthem Inc., the parent company for Anthem Blue Cross and Blue Shield of Connecticut, had their personal information — including Social Security numbers — hacked recently. As many as 16,000 Rhode Islanders could have been exposed to that security breach.

But today about three weeks after Anthem announced the breach, not one Ocean State resident knows whether his or her most-private information was included in that cyber attack.

Legislation (S134) sponsored by

'This would empower Rhode Island citizens in an era of massive data breaches.'

JIM LUDS

executive director of the Pell Center
Sen. Louis E. DiPalma, D-Middleton, would change that by requiring any entity — whether it be governmental or a private corporation — to notify victims within 15 days of discovering the breach.

Although the legislation makes other changes to Rhode Island's 2005 identity-theft law, it was the 15-day provision that drew the most attention during a hearing before the Senate

Judiciary Committee at the State house Tuesday.

Before the hearing began, DiPalma said that deadline was a compromise consensus developed during a series of workshops by the Rhode Island Corporate Cybersecurity Initiative, a group established by the Pell Center for International Relations and Public Policy at Salve Regina University in Newport.

Members of the group included legislators and representatives from the Rhode Island State Police. Attorney General Peter Kimmarich's office, the state Department of Business Regulation, National Grid, Verizon, AT&T, the banking industry and the Pell Center.
President Barack Obama recently

called for increased cooperation by corporations and the government to address data breaches and the formation of a cyber-threat center to coordinate efforts to combat them.

"The federal government will do something at some point, but the question is when?" DiPalma said. "We cannot wait for them to act. This is about protecting Rhode Island residents and the data of Rhode Island residents. It is imperative that we act ... now."

Current law requires that residents be notified of a data breach "in the most expedient time possible." But that is open ended, DiPalma said. Fifteen days was advanced as a compromise after longer notifications were suggested during the workshops held

by the Cybersecurity Initiative.

Only two states have shorter notification deadlines, DiPalma said. Breaches must be reported immediately upon discovery in South Carolina and within seven business days in Maine.

Corporate lobbyists objected to the 15-day deadline, saying they often needed more time to discover the real extent of a breach.

"You don't want to be the boy who cried wolf," said Frank O'Brien, representing the Property Casualty Insurers Association.

Bethanne Cooley is director of legislative affairs for CITA — The

BREACH AS

Breach

Continued from A3

Wireless Association, a group representing wireless technology companies. In written testimony submitted to the committee, Cooley said companies must initiate "security protocols" once they discover a breach to repair their information systems. A company needs time to determine the extent of the breach, to fix the problem and to cooperate with law enforcement investigations, she said.

"Requiring a 15-day notification does

not provide enough time for a business to determine how the breach occurred, and to properly repair it in order to avoid future or additional breaches," Cooley wrote.

Leonard Lopes, a lobbyist for technological corporation LexisNexis, called the 15-day notice "unduly burdensome."

But Jim Luds, executive director of the Pell Center, said the proposed legislation would better protect Rhode Island residents from future cyber-attacks.

"This would empower Rhode Island citizens in an era of massive data breaches," Luds said.

Randall Rose of the Rhode Island Coalition to Defend Human and Civil Rights said the legislation doesn't go far enough.

"It's better than nothing, but no where near adequate," Rose said.

The committee voted to hold the bill for further study. After the hearing, DiPalma said he would work with those with concerns to get something enacted this year.

"Clearly there are areas that could be improved," he said. "But we do not want to water it down."

Baker@NewportRI.com