

# House Research Act Summary

**CHAPTER:** 167

**SESSION:** 2005 Regular Session

**TOPIC:** Security Breach of Business Data; Government Data Security Assessments

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## Overview

The act requires businesses that hold personal information on individuals to give notice of certain security breaches. It also requires government entities that hold personal information to do a security assessment.

### 1 **Data warehouses; notice required.**

**Subd. 1. Disclosure of personal information; notice required.** Applies to a business that operates in this state and owns or licenses data that includes personal information. Requires the business to disclose any breach of its security system to any state resident whose unencrypted personal information was, or is reasonably believed to have been, acquired by an unauthorized person. Requires prompt notice consistent with needs of law enforcement and the need to identify affected individuals and secure the system.

In the case of a business that maintains personal information it does not own, the business must immediately notify the owner of the data when a security breach occurs.

Notice may be delayed to a date certain if a law enforcement agency determines earlier notice would impede an investigation

Defines personal information: first name or initial and surname combined with one or more of the following: Social Security number, driver license or Minnesota

identification card number, account number combined with a security code or password that would allow access to a financial account.

Specifies when notice may be given by first class mail or e-mail. Allows a business to use its own notification procedures if the procedures are consistent with the timing requirements of the law.

**Subd. 2. Coordination with consumer reporting agencies.** If a breach would require notice of more than 500 individuals at one time, the business must within 48 hours, notify all national consumer credit reporting agencies of the breach.

**Subd. 3. Waiver prohibited.** Attempts to waive the provisions of the law are void.

**Subd. 4. Exemption.** Does not apply to certain financial institutions as defined by federal law or to health care facilities that are subject to federal privacy regulations.

**Subd. 5. Security assessments.** Requires government entities to conduct a comprehensive security assessment of personal information it maintains.

**Subd. 6. Remedies and enforcement.** Requires the attorney general to enforce the law.

**2** **Effective date.** January 1, 2006.