
HOUSE BILL 1469

State of Washington 64th Legislature 2015 Regular Session

By Representatives Hudgins, Magendanz, Stanford, Ormsby, and Tarleton

Read first time 01/21/15. Referred to Committee on Gen Govt & Info Tech.

1 AN ACT Relating to the removal of payment credentials and other
2 sensitive data from state data networks; and adding a new section to
3 chapter 43.41A RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 43.41A
6 RCW to read as follows:

7 (1) State agencies shall not hold cardholder data or other
8 payment credentials on state data systems.

9 (2) If payment credentials collected by state agencies are
10 required to be held, these data may be transferred to and stored with
11 a third-party institution that is fully compliant with security
12 standards adopted by the PCI security standards council and certified
13 as such.

14 (3) If a data security breach resulting in the compromise of
15 payment credentials collected by the state occurs at a third-party
16 institution, and if that institution is found not to have been fully
17 compliant with PCI security standards at the time of the breach, that
18 institution shall be fully financially liable for the damages
19 resulting from the breach. Damages may include costs of notification,
20 credit monitoring, identity theft prevention measures, or any other
21 remedies provided under relevant data breach laws.

1 (4) State agencies that currently hold payment credentials must
2 work with the office to eliminate these data from state data systems
3 by July 1, 2018.

4 (5) The office may grant a waiver to the requirement under
5 subsection (4) of this section in instances where transitioning
6 payment credentials off state data systems presents special
7 difficulty, or where holding payment credentials on state data
8 systems is required for the day-to-day business of the agency or by
9 law.

10 (6) Payment credentials held on state data systems as the result
11 of a waiver granted under subsection (5) of this section shall be
12 transferred to a single, unified and secure data storage system
13 administered by consolidated technology services. This transfer shall
14 be completed by July 1, 2018, unless a secondary waiver extending the
15 deadline is granted by the office.

16 (7) The office shall develop a policy for removing social
17 security numbers and other sensitive, personally identifiable
18 information from state data systems, with the objective of minimizing
19 storage of these data wherever not required for the day-to-day
20 operations of an agency or by federal law. The policy must include
21 instructions for identifying and classifying sensitive data, removing
22 them where possible, and protecting them as necessary. All state
23 agencies shall comply with this policy.

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