

**ESSB 5092 - H AMD TO H AMD (H-1459.2/21) 532**

By Representative Chambers

**NOT ADOPTED 04/03/2021**

1 On page 422, after line 9, insert the following:

2 "NEW SECTION. Sec. 772. FOR THE OFFICE OF FINANCIAL MANAGEMENT-  
3 **STATE DIGITAL DATA BREACH ACCOUNT**

4	General Fund-State Appropriation (FY 2022) . . . . .	\$75,000,000
5	TOTAL APPROPRIATION . . . . .	\$75,000,000

6  
7 The appropriation in this section is subject to the following  
8 conditions and limitations: The appropriation is provided solely for  
9 expenditure into the state digital data breach account created in  
10 section 951 of this act."

11  
12 On page 444, after line 22, insert the following:

13 "NEW SECTION. Sec. 951. A new section is added to chapter 4.92 RCW  
14 to read as follows:

15 (1) The state digital data breach account is created in the  
16 custody of the state treasurer. Revenues to the account consist of  
17 legislative appropriations and transfers and other revenues provided  
18 by law. Expenditures from the account may only be used for the payment  
19 of eligible claims as provided in subsection (2) of this section. Only  
20 the director or the director's designee may authorize expenditures  
21 from the account. The account is subject to allotment procedures under  
22 chapter 43.88 RCW, but an appropriation is not required for  
23 expenditure.

24 (2) Expenditures from the account may only be used for the  
25 department of enterprise services' office of risk management to  
26 operate a digital data breach reimbursement claims program. In the  
27 event of a breach of the security of the system owned or operated by

1 the state that results in the release of personal information,  
2 individuals whose personal information was released may submit a claim  
3 for reimbursement to the office of risk management for the following  
4 costs incurred within one year of the date of the breach:

5 (a) Identity restoration services if an individual discovers  
6 unauthorized use of their personal information as a result of the  
7 state data breach;

8 (b) Losses from unauthorized charges to financial accounts that  
9 result in direct financial harm to the individual;

10 (c) The cost for a new driver's license; and

11 (d) Costs for one year of credit monitoring.

12 (3) All claims brought under the digital data breach reimbursement  
13 claims program created in subsection (2) of this section against the  
14 state, or against the state's officers, employees, or volunteers,  
15 acting in such capacity, for damages, must be presented to the office  
16 of risk management within one year of the breach. A claim is deemed  
17 presented when the claim form is delivered in person or by regular  
18 mail, registered mail, or certified mail, with return receipt  
19 requested, or as an attachment to email or by fax, to the office of  
20 risk management. The office of risk management must develop a  
21 standardized claim form for individuals to use to submit a claim. The  
22 office must review all claims and determine if the claim is eligible  
23 for payment.

24 (4) For the purposes of this section, "breach of the security of  
25 the system" and "personal information" have the meanings defined in  
26 RCW 19.255.005."

27

28 Renumber the remaining sections consecutively and correct any  
29 internal references accordingly.

30

31 Correct the title.

32

EFFECT: Creates the State Digital Data Breach Program Account  
and appropriates \$75.0 million General Fund-State into the account.

Provides that expenditures from the account may be used for the Department of Enterprise Services Office of Risk Management to administer a digital data breach reimbursement claims program.

FISCAL IMPACT:

Increases General Fund - State by \$75,000,000.

--- END ---