

Fiscal Estimate - 2019 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 19-4547/1	Introduction Number AB-0819
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Description
 imposing requirements related to insurance data cybersecurity and granting rule-making authority

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

Local:

<input type="checkbox"/> No Local Government Costs		
<input type="checkbox"/> Indeterminate		
1. <input type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	

Agency/Prepared By OCI/ Megan Aubihl (608) 267-1233	Authorized Signature Nathan Houdek (608) 266-2493	Date 2/6/2020
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Fiscal Estimate Narratives

OCI 2/6/2020

LRB Number	19-4547/1	Introduction Number	AB-0819	Estimate Type	Original
Description imposing requirements related to insurance data cybersecurity and granting rule-making authority					

Assumptions Used in Arriving at Fiscal Estimate

This bill requires the protection of nonpublic information of insurers and others that are regulated by the Office of the Commissioner of Insurance (OCI). Nonpublic information is information that when combined with other personal information (such as Social Security numbers) may identify an individual.

This bill applies to all licensees that have more than \$10 million in year-end assets, \$5 million in gross annual revenue, and more than 25 employees. The commissioner reserves the right to require compliance by a licensee that does not fit the above requirements in certain circumstances.

Under this bill, OCI will mandate qualified licensees in the state conduct a risk assessment and develop an information security plan based on the results of the risk assessment. The bill also requires the licensee to develop a plan to safeguard nonpublic information from unauthorized access. The bill also requires that a licensee have a response plan in place if nonpublic information has been compromised.

This bill provides the commissioner with the power to examine and investigate cybersecurity events. If a cybersecurity event occurs, the licensee must conduct a prompt investigation, notify the commissioner, and comply with the investigation.

Long-Range Fiscal Implications

OCI does not feel the volume of work will increase to require added staff.