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# Wisconsin Legislative Council

## AMENDMENT MEMO

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**2021 Assembly Bill 622**

**Assembly  
Amendment 1**

### BACKGROUND

2021 Wisconsin Act 73 created basic requirements relating to insurance data security. Very briefly, subject to certain exceptions, a person or entity that is licensed, registered, or authorized with the Office of the Commissioner of Insurance (OCI) is required to provide notice to certain persons in the event of a data breach. Entities that are exempt from this requirement include health care providers, health plans, and health care clearinghouses (collectively, “covered entities”) that are governed by the Health Insurance Portability and Accountability Act (commonly referred to as HIPAA).

### 2021 ASSEMBLY BILL 622

2021 Assembly Bill 622 makes various changes relating to the administration of insurance, including revisions to the types of entities that are exempt from notice requirements for data breaches. The bill retains the exemption for covered entities that are governed by HIPAA.

### ASSEMBLY AMENDMENT 1

Assembly Amendment 1 further specifies that the exemption from data breach notice requirements for covered entities applies to all covered entities and their **business associates** that comply with HIPAA, not just covered entities themselves.

### BILL HISTORY

Representative Petersen introduced Assembly Amendment 1 on October 21, 2021. On October 27, 2021, the Assembly Committee on Insurance recommended adoption of Assembly Amendment 1 on a vote of Ayes, 10; Noes, 0; and passage of the bill, as amended, on a vote of Ayes, 11; Noes, 0.

TK:jal