

### Fiscal Estimate - 2021 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> 21-1531/1	<b>Introduction Number</b> SB-160
-----------------------------	-----------------------------------

**Description**  
 imposing requirements related to insurance data cybersecurity and granting rule-making authority

**Fiscal Effect**

**State:**

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

**Local:**

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

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

<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
OCI/ Jeff Grothman (608) 264-6239	Sarah Smith (608) 267-9460	3/9/2021

## Fiscal Estimate Narratives

OCI 3/9/2021

LRB Number	<b>21-1531/1</b>	Introduction Number	<b>SB-160</b>	Estimate Type	<b>Original</b>
<b>Description</b> 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 to 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.

This bill should not have a fiscal impact on the Office of the Commissioner of Insurance.

### Long-Range Fiscal Implications

None.