
ASSEMBLY BILL NO. 334—ASSEMBLYWOMAN BUCKLEY

MARCH 21, 2005

Referred to Committee on Government Affairs

SUMMARY—Provides for protection of social security numbers and certain other personal information. (BDR 19-874)

FISCAL NOTE: Effect on Local Government: Increases or Newly Provides for Term of Imprisonment in County or City Jail or Detention Facility.
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to privacy; requiring a governmental entity, except in certain circumstances, to ensure that social security numbers in its books and records are maintained in a confidential manner; requiring a governmental agency or person who does business in this State that owns, licenses or maintains computerized data to notify certain persons if personal information included in that data was, or is reasonably believed to have been, acquired by an unauthorized person; expanding the types of prohibited computer contaminants to include spyware; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- 1 **Section 1.** Chapter 239 of NRS is hereby amended by adding
2 thereto a new section to read as follows:
3 *Except as otherwise required to carry out a specific statute, a*
4 *governmental agency shall ensure that the social security number*
5 *of a person in its books and records is maintained in a confidential*
6 *manner.*



1 **Sec. 2.** Chapter 239B of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 1. *Except as otherwise provided in subsection 4, upon*
4 *discovery of any breach of the security of any of its computer*
5 *systems, a governmental agency that:*

6 (a) *Owns or licenses computerized data that includes personal*
7 *information shall notify, in the manner set forth in subsection 2,*
8 *any resident of this State whose personal information included in*
9 *that data was, or is reasonably believed to have been, acquired by*
10 *an unauthorized person.*

11 (b) *Maintains computerized data that includes personal*
12 *information that the governmental agency does not own shall*
13 *notify, in the manner set forth in subsection 2, the owner or*
14 *licensee of the data if the personal information included in that*
15 *data was, or is reasonably believed to have been, acquired by an*
16 *unauthorized person.*

17 2. *Except as otherwise provided in subsection 3, the notice*
18 *required pursuant to subsection 1 must be provided as soon as*
19 *practicable by:*

20 (a) *Written notice;*

21 (b) *If the notice is consistent with the provisions regarding*
22 *electronic records and signatures set forth in 15 U.S.C. § 7001,*
23 *electronic notice; or*

24 (c) *Any other method established by the governmental agency*
25 *as part of a policy for the security of its computer systems that*
26 *provides for notification as soon as practicable to the owner or*
27 *licensee of the data that includes the personal information, or to*
28 *persons whose personal information included in that data was, or*
29 *is reasonably believed to have been, acquired by another person.*

30 3. *If the governmental agency determines that it would have*
31 *to provide the notice required pursuant to subsection 1 to more*
32 *than 500,000 persons, if the governmental agency does not have*
33 *sufficient contact information to provide the notice by the methods*
34 *described in subsection 2 or if the cost to the governmental agency*
35 *of providing the notice by the methods described in subsection 2*
36 *would be more than \$250,000, the governmental agency may*
37 *provide the notice required pursuant to subsection 1 by:*

38 (a) *If the governmental agency has an electronic mail address*
39 *for the owner or licensee of the data containing the personal*
40 *information, or the person whose personal information was, or is*
41 *reasonably believed to have been, acquired by another person,*
42 *electronic mail;*

43 (b) *If the governmental agency maintains an Internet website,*
44 *posting the notice in a conspicuous place on its Internet website;*
45 *and*



1 (c) *Any statewide publication or broadcast.*

2 4. *If a law enforcement agency determines that the notice*
3 *required pursuant to subsection 1 may impede a criminal*
4 *investigation, the governmental agency shall delay such notice*
5 *until the law enforcement agency determines that the notice will*
6 *not compromise the criminal investigation.*

7 5. *A person who has suffered injury as the proximate result*
8 *of a violation of this section may commence an action against the*
9 *governmental agency for the recovery of his actual damages, costs*
10 *and reasonable attorney's fees and for any punitive damages that*
11 *the facts may warrant. An action described in this subsection must*
12 *be commenced not later than 2 years after the person who suffered*
13 *the injury discovers the facts constituting the violation of this*
14 *section.*

15 6. *As used in this section:*

16 (a) *"Governmental agency" means an officer, board,*
17 *commission, department, division, bureau, district or any other*
18 *unit of government of the State or a local government.*

19 (b) *"Personal information" means the name of a person and*
20 *one or more of the following types of information:*

21 (1) *The social security number of the person.*

22 (2) *The driver's license number or identification card*
23 *number of the person.*

24 (3) *The bank account number, credit card number or debit*
25 *card number of the person in combination with any required*
26 *security code, access code or password that would allow access to*
27 *the related account or other personal information of the person.*

28 **Sec. 3.** NRS 205.4737 is hereby amended to read as follows:

29 205.4737 1. "Computer contaminant" means any data,
30 information, image, program, signal or sound that is designed or has
31 the capability to:

32 (a) Contaminate, corrupt, consume, damage, destroy, disrupt,
33 modify, record or transmit; or

34 (b) Cause to be contaminated, corrupted, consumed, damaged,
35 destroyed, disrupted, modified, recorded or transmitted,

36 ➤ any other data, information, image, program, signal or sound
37 contained in a computer, system or network without the knowledge
38 or consent of the person who owns the other data, information,
39 image, program, signal or sound or the computer, system or
40 network.

41 2. The term includes, without limitation:

42 (a) A virus, worm or Trojan horse; ~~for~~

43 (b) *Spyware that tracks computer activity and is capable of*
44 *recording and transmitting such information to third parties; or*



1 (c) Any other similar data, information, image, program, signal
2 or sound that is designed or has the capability to prevent, impede,
3 delay or disrupt the normal operation or use of any component,
4 device, equipment, system or network.

5 **Sec. 4.** Chapter 603 of NRS is hereby amended by adding
6 thereto a new section to read as follows:

7 *1. Except as otherwise provided in subsection 4, upon*
8 *discovery of any breach of the security of his computer system, a*
9 *person doing business in this State that:*

10 (a) *Owns or licenses computerized data that includes personal*
11 *information shall notify, in the manner set forth in subsection 2,*
12 *any resident of this State whose personal information contained in*
13 *that data was, or is reasonably believed to have been, acquired by*
14 *an unauthorized person.*

15 (b) *Maintains computerized data that includes personalized*
16 *information that the person doing business in this State does not*
17 *own shall notify, in the manner set forth in subsection 2, the*
18 *owner or licensee of the data if personal information contained in*
19 *that data was, or is reasonably believed to have been, acquired by*
20 *an unauthorized person.*

21 *2. Except as otherwise provided in subsection 3, the notice*
22 *required pursuant to subsection 1 must be provided as soon as*
23 *practicable by:*

24 (a) *Written notice;*

25 (b) *If the notice is consistent with the provisions regarding*
26 *electronic records and signatures set forth in 15 U.S.C. § 7001,*
27 *electronic notice; or*

28 (c) *Any other method established by the person doing business*
29 *in this State as part of a policy for the security of his computer*
30 *system that provides for notification as soon as practicable to the*
31 *owner or licensee of the data containing the personal information*
32 *and to persons whose personal information was, or is reasonably*
33 *believed to have been, acquired by another person.*

34 *3. If the person doing business in this State determines that*
35 *he would have to provide the notice required pursuant to*
36 *subsection 1 to more than 500,000 persons, the person does not*
37 *have sufficient contact information to provide the notice by the*
38 *methods described in subsection 2 or the cost of providing the*
39 *notice by the methods described in subsection 2 would be more*
40 *than \$250,000, the person doing business in this State may provide*
41 *the notice required pursuant to subsection 1 by:*

42 (a) *If the person doing business in this State has an electronic*
43 *mail address for the owner or licensee of the information, or the*
44 *person whose personal information was, or is reasonably believed*
45 *to have been, acquired by another person, electronic mail;*



1 ***(b) If the person doing business in this State maintains an***
2 ***Internet website, posting the notice in a conspicuous place on his***
3 ***Internet website; and***

4 ***(c) Any statewide publication or broadcast.***

5 ***4. If a law enforcement agency determines that the notice***
6 ***required pursuant to subsection 1 may impede a criminal***
7 ***investigation, the person doing business in this State shall delay***
8 ***such notice until the law enforcement agency determines that the***
9 ***notice will not compromise the criminal investigation.***

10 ***5. A person who has suffered injury as the proximate result***
11 ***of a violation of this section may commence an action against the***
12 ***person doing business in this State for the recovery of his actual***
13 ***damages, costs and reasonable attorney's fees and for any punitive***
14 ***damages that the facts may warrant. An action described in this***
15 ***subsection must be commenced not later than 2 years after the***
16 ***person who suffered the injury discovers the facts constituting the***
17 ***violation of this section.***

18 ***6. As used in this section, "personal information" means the***
19 ***name of a person and one or more of the following types of***
20 ***information:***

21 ***(a) The social security number of the person.***

22 ***(b) The driver's license number or identification card number***
23 ***of the person.***

24 ***(c) The bank account number, credit card number or debit***
25 ***card number of the person in combination with any required***
26 ***security code, access code or password that would allow access to***
27 ***the related account or other personal information of the person.***

28 **Sec. 5.** This act becomes effective on July 1, 2005.



