

## HOUSE REPUBLICAN STAFF ANALYSIS

Bill:	House File 553	House Committee:	<b>PASSED</b> on 2/28/23 (21-0)
Committee:	Ways and Means	House Floor:	
Floor Manager:	Rep. Kniff McCulla	Senate Floor:	
Date:	March 15, 2023	Governor:	
Staff:	Kristi Kious (2-5290)		

### Affirmative Defense for Businesses that Experience a Data Breach

- Provides an affirmative defense for a business that has a cybersecurity program meeting the requirements of the chapter.

### Section by Section Analysis

#### Section 1 – Definitions (554G.1)

[New section] This section provides the definitions for this chapter. It provides that *covered entity* means a business that accesses, receives, stores, etc. data and information in or outside this state.

#### Section 2 – Affirmative defenses (554G.2)

[New section] This section provides that a covered entity wanting to assert an affirmative defense must create, maintain, and comply with a written cybersecurity program that contains administrative, technical, operational, and physical safeguards for the protection of personal information and restricted information.

This section sets forth what a covered entity's program must do. If the covered entity satisfies all requirements, they are entitled to an affirmative defense to any cause of action in tort related to a data breach concerning personal information or restricted information.

#### Section 3 – Cybersecurity program framework (554G.3)

[New section] This section provides the requirements for a cybersecurity program. It reasonably conforms for purposes of this chapter if it is current with one of several listed national sets of standards.

#### Section 4 – Causes of action (554G.4)

[New section] This section provides that the bill does not create a private right of action (including class action) with respect to any act or practice regulated under this bill.

### Amendment Analysis

**Amendment H-1071** – This amendment provides some clarity with regard to compliance for the payment card industry.