



State of Tennessee

PUBLIC CHAPTER NO. 692

SENATE BILL NO. 2005

By Ketron, Gresham

Substituted for: House Bill No. 1631

By Rogers, Hardaway

AN ACT to amend Tennessee Code Annotated, Title 47, relative to release of personal information.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 47-18-2107(a), is amended by adding the following subdivision:

() "Unauthorized person" includes an employee of the information holder who is discovered by the information holder to have obtained personal information and intentionally used it for an unlawful purpose;

SECTION 2. Tennessee Code Annotated, Section 47-18-2107(a)(1), is amended by deleting the word "unencrypted".

SECTION 3. Tennessee Code Annotated, Section 47-18-2107, is further amended by deleting subsections (b), (c), and (d) and substituting instead the following:

(b) Any information holder shall disclose any breach of the security of the system, following discovery or notification of the breach in the security of the data, to any resident of Tennessee whose personal information was, or is reasonably believed to have been, acquired by an unauthorized person. The disclosure shall be made immediately, but no later than forty-five (45) days from the discovery or notification of the breach, unless a longer period of time is required due to the legitimate needs of law enforcement, as provided in subsection (d).

(c) Any information holder that maintains computerized data that includes personal information that the information holder does not own shall notify the owner or licensee of the information of any breach of the security of the data immediately, but no later than forty-five (45) days from when the breach became known by the information holder, if the personal information was, or is reasonably believed to have been, acquired by an unauthorized person.

(d) The notification required by this section may be delayed if a law enforcement agency determines that the notification will impede a criminal investigation. The notification required by this section shall be made no later than forty-five (45) days after the law enforcement agency determines that it will not compromise the investigation.

SECTION 4. Tennessee Code Annotated, Section 47-18-2107, is amended by deleting subsection (i) and substituting instead the following:

(i) This section shall not apply to any person or entity that is subject to:

(1) Title V of the Gramm-Leach-Bliley Act of 1999 (Pub. L. No. 106-102); or

(2) The Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. § 1320d), as expanded by the Health Information Technology for Clinical and Economic Health Act (42 U.S.C. §§ 300jj et seq., and 42 U.S.C. §§ 17921 et seq.).

SECTION 5. This act shall take effect July 1, 2016, the public welfare requiring it and shall apply to breaches occurring on or after the effective date of this act.

SENATE BILL NO. 2005

PASSED: March 14, 2016



RON RAMSEY
SPEAKER OF THE SENATE



BETH HARWELL, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 24th day of March 2016



BILL HASLAM, GOVERNOR