

Bill no.:	HR 4127
Amendment no.:	1
Date offered:	11/3/05
Disposition:	Agreed to by VW

AMENDMENT TO H.R. 4127
OFFERED BY MR. STEARNS

Page 3, line 22, strike “on an annual basis” and insert “in conjunction with a notification of a security breach under section 3 or upon request of the Commission”.

Page 4, line 2, insert “, or require the information broker to conduct an independent audit of such practices (by an independent auditor who has not audited such information broker’s security practices during the preceding 5 years)” after “broker”.

Page 4, line 3, strike “additional audits, on an annual basis, for a maximum of” and insert “or require additional audits for a period of”.

Page 4, strike line 10 through page 5, line 18.

Page 6, line 4, insert “and” after the semicolon.

Page 6, line 5, strike the semicolon and insert a period.

Page 6, strike line 6 through line 15.



Page 6, after line 15, insert the following new subsection (and redesignate succeeding subsections accordingly):

1 (b) SPECIAL NOTIFICATION REQUIREMENT FOR
2 THIRD PARTY AGENTS.—In the event of a breach of secu-
3 rity by any third party entity that has been contracted
4 to maintain or process data in electronic form containing
5 personal information on behalf of any other person who
6 owns or possesses such data, such third party entity shall
7 be required only to notify such person of the breach of
8 security. Upon receiving such notification from such third
9 party, such person shall provide the notification required
10 under subsection (a).

Page 6, line 20, insert “consistent with” after
“and”.

Page 7, line 10, strike “if the individual” and all
that follows through line 17, and insert the following:

11 (I) the person’s primary method
12 of communication with the individual
13 is by email; or
14 (II) the individual has consented
15 to receive such notification and the
16 notification is provided in a manner
17 that is consistent with the provisions



1 permitting electronic transmission of
2 notices under section 101 of the Elec-
3 tronic Signatures in Global Commerce
4 Act (15 U.S.C. 7001).

Page 9, line 7, strike “shall include” and all that follows through “acquired reside” on line 11, and insert “shall include—”

5 (i) email notification to the extent
6 that the person has email addresses of in-
7 dividuals to whom it is required to provide
8 notification under subsection (a)(1);

9 (ii) a conspicuous notice on the Inter-
10 net website of the person (if such person
11 maintains such a website); and

12 (iii) notification in print and broad-
13 cast media, including major media in met-
14 ropolitan and rural areas where the indi-
15 viduals whose personal information was ac-
16 quired reside.

Page 10, line 19, strike “subsection (c)(1)” and insert “subsection (d)(1)”.

Page 10, line 23, strike “a breach” and insert “the discovery of a breach”.



Page 10, line 24, strike “The Commission” and all that follows through page 11, line 2, and insert “A person who qualifies to provide substitute notice under subsection (d)(2) shall provide or arrange for the provision of credit reports under this subsection to any individual whose personal information was acquired by an unauthorized person as a result of the breach of security and who has contacted the person to request such credit reports.”

Page 11, line 11, strike “treated as a” and insert “treated as an unfair and deceptive act or practice in”

Page 11, after line 25, insert the following:

1 (c) LIMITATION.—In promulgating rules under this
2 Act, the Commission shall not require the deployment or
3 use of any specific products or technologies, including any
4 specific computer software or hardware.

5 (d) EXCEPTION.—Nothing in this Act shall apply to
6 any electronic communication by a third party stored by
7 a telecommunications carrier, cable operator, or informa-
8 tion service, as those terms are defined in section 3 of
9 the Communications Act of 1934 (47 U.S.C. 153).

Page 12, line 8, insert “, fraud, or other unlawful conduct”.

Page 12, line 14, insert “reasonably” after “has been or is”.



Page 14, line 2, strike “first and last name” and insert “first name or initial and last name, or address or phone number”.

Page 15, line 5, insert “, with respect to those entities covered by the regulations issued pursuant to this Act,” after “a State”.

Page 15, line 7, insert “data in electronic form containing” after “treatment of”.

Page 15, line 11, strike “of their” and insert “data in electronic form containing”.



