

1 TO THE HONORABLE SENATE:

2 The Committee on Economic Development, Housing and General Affairs to  
3 which was referred Senate Bill No. 269 entitled “An act relating to business  
4 consumer protection and data security breaches” respectfully reports that it has  
5 considered the same and recommends that the bill be amended by striking all  
6 after the enacting clause and inserting in lieu thereof the following:

7 Sec. 1. 9 V.S.A. § 2435(b)(4) is amended to read:

8 (4) The notice to a consumer required by this subsection shall be delayed  
9 upon request of a law enforcement agency. A law enforcement agency may  
10 request the delay if it believes that notification may impede a law enforcement  
11 investigation, or a national or Homeland Security investigation or jeopardize  
12 public safety or national or Homeland Security interests. In the event law  
13 enforcement makes the request in a manner other than in writing, the data  
14 collector shall document such request contemporaneously in writing, including  
15 the name of the law enforcement officer making the request and the officer's  
16 law enforcement agency engaged in the investigation. A law enforcement  
17 agency shall promptly notify the data collector when the law enforcement  
18 agency no longer believes that notification may impede a law enforcement  
19 investigation, or a national or Homeland Security investigation or jeopardize  
20 public safety or national or Homeland Security interests. The data collector  
21 shall provide notice required by this section without unreasonable delay upon

1 receipt of a written communication, which includes facsimile or electronic  
2 communication, from the law enforcement agency withdrawing its request for  
3 delay. Notwithstanding any request to delay notification to consumers  
4 pursuant to this subdivision, a law enforcement agency with a reasonable belief  
5 that a security breach has or may have occurred shall inform the data collector  
6 in writing of its belief that a security breach has or may have occurred, and that  
7 the data collector has a duty to inform the office of the Vermont Attorney  
8 General or the Department of Financial Regulation of the security breach, as  
9 applicable to the data collector, pursuant to the Vermont Security Breach  
10 Notice Act, 9 V.S.A. § 2435

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14 (Committee vote: \_\_\_\_\_)

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Senator [surname]

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FOR THE COMMITTEE