## AMENDMENT TO THE RULES COMMITTEE PRINT FOR H.R. 4435

## OFFERED BY MR. CONNOLLY OF VIRGINIA

Subtitle C of title XVI is amended by adding at the end the following new section:

## 1 SEC. 1622. PRIVACY BREACH REQUIREMENTS.

- 2 (a) INFORMATION SECURITY.—
- 3 (1) AMENDMENT.—Subchapter III of chapter
  4 35 of title 44, United States Code, is amended by
  5 adding at the end the following:

## 6 "§ 3550. Privacy breach requirements

7 "(a) POLICIES AND PROCEDURES.—The Director of
8 the Office of Management and Budget shall establish and
9 oversee policies and procedures for agencies to follow in
10 the event of a breach of information security involving the
11 disclosure of personally identifiable information, including
12 requirements for—

"(1) not later than 72 hours after the agency
discovers such a breach, or discovers evidence that
reasonably indicates such a breach has occurred, notice to the individuals whose personally identifiable
information could be compromised as a result of
such breach;

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"(2) timely reporting to a Federal cybersecurity
 center, as designated by the Director of the Office
 of Management and Budget; and

4 "(3) any additional actions that the Director
5 finds necessary and appropriate, including data
6 breach analysis, fraud resolution services, identity
7 theft insurance, and credit protection or monitoring
8 services.

9 "(b) REQUIRED AGENCY ACTION.—The head of each 10 agency shall ensure that actions taken in response to a 11 breach of information security involving the disclosure of 12 personally identifiable information under the authority or 13 control of the agency comply with policies and procedures 14 established by the Director of the Office of Management 15 and Budget under subsection (a).

16 "(c) REPORT.—Not later than March 1 of each year, 17 the Director of the Office of Management and Budget shall report to Congress on agency compliance with the 18 19 policies and procedures established under subsection (a). 20 "(d) FEDERAL CYBERSECURITY CENTER DE-21 FINED.—The term 'Federal cybersecurity center' means 22 any of the following:

23 "(1) The Department of Defense Cyber Crime24 Center.

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| 1  | "(2) The Intelligence Community Incident Re-          |
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| 2  | sponse Center.  |
| 3  | "(3) The United States Cyber Command Joint            |
| 4  | Operations Center.                                    |
| 5  | "(4) The National Cyber Investigative Joint           |
| 6  | Task Force.   |
| 7  | "(5) Central Security Service Threat Oper-            |
| 8  | ations Center of the National Security Agency.        |
| 9  | "(6) The United States Computer Emergency             |
| 10 | Readiness Team.                                       |
| 11 | "(7) Any successor to a center, team, or task         |
| 12 | force described in paragraphs (1) through (6).        |
| 13 | "(8) Any center that the Director of the Office       |
| 14 | of Management and Budget determines is appro-         |
| 15 | priate to carry out the requirements of this sec-     |
| 16 | tion.".   |
| 17 | (2) TECHNICAL AND CONFORMING AMEND-                   |
| 18 | MENT.—The table of sections for subchapter III of     |
| 19 | chapter 35 of title 44, United States Code, is        |
| 20 | amended by adding at the end the following:           |
|    | "3550. Privacy breach requirements.".                 |
| 21 | (b) Amendments to the E-Government Act of             |
| 22 | 2002.—Section 208(b)(1)(A) of the E-Government Act of |
| 23 | 2002 (44 U.S.C. 3501 note; Public Law 107–347) is     |
| 24 | amended—  |
| 25 | (1) in clause (i), by striking "or" at the end;       |

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| 1  | (2) in clause (ii), by striking the period at the      |
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| 2  | end and inserting "; or"; and                          |
| 3  | (3) by adding at the end the following new             |
| 4  | clause:  |
| 5  | "(iii) using information in an identifi-               |
| 6  | able form purchased, or subscribed to for              |
| 7  | a fee, from a commercial data source.".                |
| 8  | (c) Authority of the Director of the Office            |
| 9  | OF MANAGEMENT AND BUDGET WITH RESPECT TO FED-          |
| 10 | ERAL INFORMATION POLICY.—Section 3504(g) of title 44,  |
| 11 | United States Code, is amended—                        |
| 12 | (1) in paragraph (1), by striking "and" at the         |
| 13 | end;   |
| 14 | (2) in paragraph (2), by striking ". and" and          |
| 15 | inserting "; and"; and                                 |
| 16 | (3) by adding at the end the following new             |
| 17 | paragraph:   |
| 18 | "(3) designate a Federal Chief Privacy Officer         |
| 19 | within the Office of Management and Budget who is      |
| 20 | a noncareer appointee in a Senior Executive Service    |
| 21 | position and who is a trained and experienced pri-     |
| 22 | vacy professional to carry out the responsibilities of |
| 23 | the Director with regard to privacy.".                 |
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