

**Testimony before Senate Committee on Judiciary
Opposition to Senate Bill 424- Identity Theft and Data Protection
Presented by Eric Stafford, Vice President of Government Affairs**



Tuesday, March 8, 2016

Mister Chairman and members of the committee, my name is Eric Stafford, Vice President of Government Affairs with the Kansas Chamber of Commerce. On behalf of the Kansas Chamber, I would like to express our opposition to Senate Bill 424 which creates a new layer of authority for the Attorney General regarding identity theft.

We sent this bill to Kansas Chamber members who may have an interest in the bill's provisions. Companies expressed concern with language in SB 424, which we have highlighted below. While we oppose the bill in its current form, we did have a productive meeting with the Attorney General and his staff last week in an effort to gain a better understanding of the intent of SB 424, and share areas of concern on the part of our members. Due to the short turnaround from that meeting and this hearing, we are still waiting for potential amendments from our members. While the meeting of interested parties was, overall, a positive one, our members are not yet comfortable enough to support this bill. The Attorney General's office provided an amendment for our members to consider as well, and we are still waiting on input.

We have appreciated the A.G.'s willingness to consider the concerns expressed by our members. Some of those concerns have been alleviated while others remain. For example, New Section 2 (b)(2) is existing law, but is being brought into the Kansas consumer protection act. Our members asked about the language "unless otherwise required by federal law..." They could not think of an example where there is not already federal law requiring that they have to take reasonable steps to destroy or encrypt data. Extensive federal data privacy laws already exist. Several members asked 'when is the data not needed? This question arises from language found on page 2, line 2 "when such records are no longer to be retained." Again, while this is existing law, it needs clarification. Our members also expressed concern about an open-ended rulemaking authority; and requiring reasonable data security standards but failing to include that in the breach notification statute.

To close, we do appreciate the dialogue with the Attorney General and his staff on this legislation, and we will continue to work with our members and the Attorney General to see if we can find acceptable language for everyone. Until that time, we must remain opposed to Senate Bill 424.



The Kansas Chamber, with headquarters in Topeka, is the leading statewide pro-business advocacy group moving Kansas towards becoming the best state in America to do business. The Chamber represents small, medium and large employers all across Kansas.