SESSION OF 2019

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2209

As Recommended by House Committee on Insurance

Brief*

HB 2209 would amend law pertaining to the Committee on Surety Bonds and Insurance (Committee) to permit the Kansas Board of Regents (KBOR) to purchase cybersecurity insurance as KBOR deems necessary to protect student records, labor information, and other statutorily protected data KBOR maintains, independent of the Committee, and without complying with the purchasing procedures of the Department of Administration.

The term "cybersecurity insurance" would include, but not be limited to, first-party coverage against losses such as data destruction, denial of service attacks, theft, hacking, and liability coverage guaranteeing compensation for damages from errors, such as the failure to safeguard data.

The bill would be in effect upon publication in the Kansas Register.

Background

The bill was introduced by the House Committee on Insurance at the request of its chairperson, Representative Vickrey, on behalf of the KBOR. In the House Committee hearing, the President and Chief Executive Officer of KBOR provided proponent testimony, noting institutions of higher education possess a wide array of personal information on students, including health center data and financial

^{*}Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at http://www.kslegislature.org

information. The representative stated current law prohibits KBOR from purchasing cybersecurity insurance, and KBOR seeks to participate in the collaborative purchase of this type of insurance with the state universities to maximum purchasing power or to access the product available to the state as a member of the Midwestern Higher Education Compact. The representative noted the universities and KBOR consider cybersecurity insurance to be important for addressing risks.

No neutral or opponent testimony was provided.

According to the fiscal note prepared by the Division of the Budget, KBOR indicates enactment of the bill would have no fiscal effect on its operations.