
SENATE BILL 5462

State of Washington

67th Legislature

2021 Regular Session

By Senator Honeyford

1 AN ACT Relating to claims due to a breach of the security of a
2 state database or information technology system; adding new sections
3 to chapter 4.92 RCW; making an appropriation; and declaring an
4 emergency.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 4.92 RCW
7 to read as follows:

8 (1) The digital data breach reimbursement claims program is
9 created in the office of risk management. In the event of a breach of
10 the security of the system owned or operated by the state that
11 results in the release of personal information, eligible individuals
12 may submit a claim for reimbursement to the office of risk management
13 for the following costs incurred within one year of the date of the
14 breach:

15 (a) Identity restoration services if an individual discovers
16 unauthorized use of their personal information;

17 (b) Losses from unauthorized charges to financial accounts that
18 result in direct financial harm to the individual;

19 (c) The cost for a new driver's license; and

20 (d) Costs for one year of credit monitoring.

1 (2) All claims against the state, or against the state's
2 officers, employees, or volunteers, acting in such capacity, for
3 damages, must be presented to the office of risk management within
4 one year of the breach. A claim is deemed presented when the claim
5 form is delivered in person or by regular mail, registered mail, or
6 certified mail, with return receipt requested, or as an attachment to
7 email or by fax, to the office of risk management. The office of risk
8 management must develop a standardized claim form for individuals to
9 use to submit a claim. The office must review all claims and
10 determine if the claim is eligible for payment.

11 (3) For the purposes of this section and section 2 of this act,
12 "breach of the security of the system" and "personal information"
13 have the meanings defined in RCW 19.255.005.

14 NEW SECTION. **Sec. 2.** A new section is added to chapter 4.92 RCW
15 to read as follows:

16 The state digital data breach account is created in the custody
17 of the state treasurer. Revenues to the account consist of
18 legislative appropriations and transfers and other revenues provided
19 by law. If the office of the attorney general brings an action in the
20 name of the state or on behalf of its residents under chapter 19.86
21 RCW or other law for injuries suffered from a breach of the security
22 of the system owned or operated by the state, any damages,
23 restitution, or penalties received from such an action must be
24 deposited into the account. Expenditures from the account may only be
25 used for the payment of eligible claims provided in section 1 of this
26 act. Only the director or the director's designee may authorize
27 expenditures from the account. The account is subject to allotment
28 procedures under chapter 43.88 RCW, but an appropriation is not
29 required for expenditures.

30 NEW SECTION. **Sec. 3.** The sum of \$52,000,000, or as much thereof
31 as may be necessary, is appropriated from the general fund for fiscal
32 year 2022 solely for expenditure into the state digital data breach
33 account created in section 2 of this act.

34 NEW SECTION. **Sec. 4.** This act is necessary for the immediate
35 preservation of the public peace, health, or safety, or support of

1 the state government and its existing public institutions, and takes
2 effect immediately.

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