

**SCHWARTZ & BALLELLP**  
1990 M STREET, N.W. • SUITE 500  
WASHINGTON, DC 20036-3465  
[WWW.SCHWARTZANDBALLEN.COM](http://WWW.SCHWARTZANDBALLEN.COM)

TELEPHONE  
(202) 776-0700

FACSIMILE  
(202) 776-0720

**MEMORANDUM**

January 7, 2014

To Our Clients and Friends

Re: State Security Breach Laws—2013 Year-End Update

To date, forty-six states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands have enacted legislation requiring notice of security breaches to consumers whose personal information was disclosed in an unauthorized manner. Most recently, California, North Dakota, South Carolina and Vermont amended their laws, as follows:

- Effective January 1, 2014, California law specifies that if a breach involves only personal information that accesses an online account, a business may provide notice electronically or by other means which instructs the consumer to change the password or security question/answer used for that website as well as where used for other sites. If email login credentials are breached, notice should not be provided to that email address, but rather by another permitted method or online when the consumer is connected from a known online location or IP address.
- Effective August 1, 2013, North Dakota amended the definition of personal information triggering notice to the consumer to include unencrypted health insurance and medical information.
- Effective April 23, 2013, South Carolina amended the definition of personal information triggering notice to the consumer to include specified data elements, rather than by defining the term in reference to another section of law.
- Effective May 13, 2013, Vermont changed the requirements for notifying the State of a breach. Persons regulated by the Department of Financial Regulation must now notify that Department of a breach, rather than the Attorney General.

For more details, please review our memorandum and chart posted at our website at <http://www.schwartzandballen.com/news.html>

If you have any questions, please call Gilbert Schwartz, Robert Ballen, Tom Fox, Heidi Wicker or Ben Gray at (202) 776-0700.