LEGISLATURE OF NEBRASKA

ONE HUNDRED NINTH LEGISLATURE

FIRST SESSION

LEGISLATIVE BILL 241

Introduced by Hallstrom, 1; Bosn, 25; Holdcroft, 36; Storer, 43; Storm, 23.

Read first time January 14, 2025

Committee: Banking, Commerce and Insurance

- 1 A BILL FOR AN ACT relating to data privacy; to define terms; and to
- 2 provide exemption from liability for certain private entities as
- 3 prescribed.
- 4 Be it enacted by the people of the State of Nebraska,

- 1 **Section 1.** (1) For purposes of this section:
- 2 (a) Cybersecurity event means an event resulting in unauthorized
- 3 access to, or disruption or misuse of, an information system or nonpublic
- 4 information stored on an information system;
- 5 <u>(b) Information system means:</u>
- 6 (i) A discrete set of electronic information resources organized for
- 7 the collection, processing, maintenance, use, sharing, dissemination, or
- 8 <u>disposition of electronic nonpublic information; or</u>
- 9 (ii) A specialized system, including an industrial or process
- 10 control system, a telephone switching and private branch exchange system,
- 11 <u>and an environmental control system;</u>
- 12 <u>(c) Nonpublic information means information that is not publicly</u>
- 13 <u>available and concerns a person that, because of a name, number, personal</u>
- 14 mark, or other identifier, can be used to identify such person, in
- 15 <u>combination with the following:</u>
- 16 (i) A social security number;
- 17 (ii) A driver's license number or state identification card number;
- 18 (iii) A financial account number or credit or debit card number;
- 19 <u>(iv) A security code, access code, or password that would permit</u>
- 20 <u>access to such person's financial accounts; or</u>
- 21 <u>(v) Any biometric record;</u>
- 22 (d) Private entity means a corporation, religious or charitable
- 23 organization, association, partnership, limited liability company,
- 24 limited liability partnership, or other private business entity, whether
- 25 organized for-profit or not-for-profit; and
- 26 (e) Publicly available information means information that is
- 27 <u>lawfully made available through federal, state, or local government</u>
- 28 records or information that a private entity has a reasonable basis to
- 29 <u>believe is lawfully made available to the general public.</u>
- 30 (2) A private entity shall not be liable in a class action resulting
- 31 from a cybersecurity event unless the cybersecurity event was caused by

1 willful, wanton, or gross negligence on the part of the private entity.