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Senate Bill 672 (Substitute S-1 as reported)

Sponsor: Senator Wayne A. Schmidt Committee: Energy and Technology

## **CONTENT**

The bill would amend the Identity Theft Protection Act to do the following:

- -- Specify that a covered entity would be entitled to an affirmative defense to any tort cause of action that alleged that the covered entity's failure to implement reasonable information security controls resulted in a security breach if the covered entity demonstrated that its cybersecurity program met requirements prescribed by the bill.
- -- Specify that the bill would not provide a private right of action, including a class action, with respect to any act or practice under the bill.
- -- Specify that if there were a choice of law provision in an agreement that designated the State as the governing law, the bill would have to be applied, if applicable, to the fullest extent possible in a civil action brought against a person regardless of whether the civil action was brought in the State or another state.

Proposed MCL 445.72c

Legislative Analyst: Tyler VanHuyse

## **FISCAL IMPACT**

The bill likely would have no fiscal impact on State or local government. The bill would not generate or spend State or local funds, and it would be more likely than not to discourage the filing of civil complaints for negligence against covered entities.

Date Completed: 3-1-22 Fiscal Analyst: Michael Siracuse