

SENATE CS FOR CS FOR HOUSE BILL NO. 65(JUD)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIFTH LEGISLATURE - SECOND SESSION

BY THE SENATE JUDICIARY COMMITTEE

Offered: 4/4/08

Referred: Finance

Sponsor(s): REPRESENTATIVES COGHILL AND GARA, Hawker, Lynn, Samuels, Fairclough, Ramras, Kawasaki, Kerttula, Gatto, Neuman, Olson, Dahlstrom, Gardner, Johnson, Wilson, Guttenberg, Holmes, Nelson, Crawford, LeDoux, Keller, Doogan, Buch, Roses, Cissna, Meyer

SENATORS Therriault, Wilken

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to breaches of security involving personal information, credit report**
2 **and credit score security freezes, protection of social security numbers, care of records,**
3 **disposal of records, identity theft, credit cards, and debit cards, and to the jurisdiction of**
4 **the office of administrative hearings; amending Rules 60 and 82, Alaska Rules of Civil**
5 **Procedure; and providing for an effective date."**

6 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

7 * **Section 1.** AS 40.21.110 is amended to read:

8 **Sec. 40.21.110. Care of records.** Except for public records lawfully in the
9 possession of a person other than the state, public records of existing or defunct
10 agencies of the state, territorial, and Russian governments in Alaska are the property
11 of the state and shall be created, maintained, preserved, stored, transferred, destroyed
12 or disposed of, and otherwise managed in accordance with the provisions of this
13 chapter and AS 45.48.500 - 45.48.530. Records shall be delivered by outgoing
14 officials and employees to their successors, and may not be removed, destroyed or

1 disposed of, except as provided in this chapter **and AS 45.48.500 - 45.48.530.**

2 * **Sec. 2.** AS 44.64.030(a) is amended by adding a new paragraph to read:

3 (40) AS 45.48.080(c) (breach of security involving personal
4 information).

5 * **Sec. 3.** AS 45 is amended by adding a new chapter to read:

6 **Chapter 48. Personal Information Protection Act.**

7 **Article 1. Breach of Security Involving Personal Information.**

8 **Sec. 45.48.010. Disclosure of breach of security.** (a) If a covered person owns
9 or licenses personal information in any form that includes personal information on a
10 state resident, and a breach of the security of the information system that contains
11 personal information occurs, the covered person shall, after discovering or being
12 notified of the breach, disclose the breach to each state resident whose personal
13 information was subject to the breach.

14 (b) An information collector shall make the disclosure required by (a) of this
15 section in the most expeditious time possible and without unreasonable delay, except
16 as provided in AS 45.48.020 and as necessary to determine the scope of the breach and
17 restore the reasonable integrity of the information system.

18 (c) Notwithstanding (a) of this section, disclosure is not required if, after an
19 appropriate investigation and after written notification to the attorney general of this
20 state, the covered person determines that there is not a reasonable likelihood that harm
21 to the consumers whose personal information has been acquired has resulted or will
22 result from the breach. The determination shall be documented in writing and the
23 documentation shall be maintained for five years.

24 **Sec. 45.48.020. Allowable delay in notification.** An information collector
25 may delay disclosing the breach under AS 45.48.010 if an appropriate law
26 enforcement agency determines that disclosing the breach will interfere with a
27 criminal investigation. However, the information collector shall disclose the breach to
28 the state resident in the most expeditious time possible and without unreasonable delay
29 after the law enforcement agency informs the information collector in writing that
30 disclosure of the breach will no longer interfere with the investigation.

31 **Sec. 45.48.030. Methods of notice.** An information collector shall make the

1 disclosure required by AS 45.48.010

2 (1) by a written document sent to the most recent address the
3 information collector has for the state resident;

4 (2) by electronic means if the information collector's primary method
5 of communication with the state resident is by electronic means, or if making the
6 disclosure by the electronic means is consistent with the provisions regarding
7 electronic records and signatures required for notices legally required to be in writing
8 under 15 U.S.C. 7001 et seq. (Electronic Signatures in Global and National Commerce
9 Act); or

10 (3) if the information collector demonstrates that the cost of providing
11 notice would exceed \$150,000, that the affected class of state residents to be notified
12 exceeds 300,000, or that the information collector does not have sufficient contact
13 information to provide notice, by

14 (A) electronic mail if the information collector has an
15 electronic mail address for the state resident;

16 (B) conspicuously posting the disclosure on the Internet
17 website of the information collector if the information collector maintains an
18 Internet site; and

19 (C) providing a notice to major statewide media.

20 **Sec. 45.48.040. Notification of certain other agencies.** (a) If an information
21 collector is required by AS 45.48.010 to notify more than 1,000 state residents of a
22 breach, the information collector shall also notify without unreasonable delay all
23 consumer credit reporting agencies that compile and maintain files on consumers on a
24 nationwide basis and provide the agencies with the timing, distribution, and content of
25 the notices.

26 (b) This section may not be construed to require the information collector to
27 provide the consumer reporting agencies identified under (a) of this section with the
28 names or other personal information of the state residents whose personal information
29 was subject to the breach.

30 (c) This section does not apply to an information collector who is subject to
31 the Gramm-Leach-Bliley Financial Modernization Act.

1 (d) In this section, "consumer reporting agency that compiles and maintains
2 files on consumers on a nationwide basis" has the meaning given in 15 U.S.C.
3 1681a(p).

4 **Sec. 45.48.050. Exception for employees and agents.** In AS 45.48.010 -
5 45.48.090, the good faith acquisition of personal information by an employee or agent
6 of an information collector for a legitimate purpose of the information collector is not
7 a breach of the security of the information system if the employee or agent does not
8 use the personal information for a purpose unrelated to a legitimate purpose of the
9 information collector and does not make further unauthorized disclosure of the
10 personal information.

11 **Sec. 45.48.060. Waivers.** A waiver of AS 45.48.010 - 45.48.090 is void and
12 unenforceable.

13 **Sec. 45.48.070. Treatment of certain breaches.** (a) If a breach of the security
14 of the information system containing personal information on a state resident that is
15 maintained by an information recipient occurs, the information recipient is not
16 required to comply with AS 45.48.010 - 45.48.030. However, immediately after the
17 information recipient discovers the breach, the information recipient shall notify the
18 information distributor who owns the personal information or who licensed the use of
19 the personal information to the information recipient about the breach and cooperate
20 with the information distributor as necessary to allow the information distributor to
21 comply with (b) of this section. In this subsection, "cooperate" means sharing with the
22 information distributor information relevant to the breach, except for confidential
23 business information or trade secrets.

24 (b) If an information recipient notifies an information distributor of a breach
25 under (a) of this section, the information distributor shall comply with AS 45.48.010 -
26 45.48.030 as if the breach occurred to the information system maintained by the
27 information distributor.

28 **Sec. 45.48.080. Violations.** (a) If an information collector who is a
29 governmental agency violates AS 45.48.010 - 45.48.090 with regard to the personal
30 information of a state resident, the information collector

31 (1) is liable to the state for a civil penalty of up to \$500 for each state

1 resident who was not notified under AS 45.48.010 - 45.48.090, but the total civil
2 penalty may not exceed \$50,000; and

3 (2) may be enjoined from further violations.

4 (b) If an information collector who is not a governmental agency violates
5 AS 45.48.010 - 45.48.090 with regard to the personal information of a state resident,
6 the violation is an unfair or deceptive act or practice under AS 45.50.471 - 45.50.561.
7 However,

8 (1) the information collector is not subject to the civil penalties
9 imposed under AS 45.50.551 but is liable to the state for a civil penalty of up to \$500
10 for each state resident who was not notified under AS 45.48.010 - 45.48.090, except
11 that the total civil penalty may not exceed \$50,000; and

12 (2) damages that may be awarded against the information collector
13 under

14 (A) AS 45.50.531 are limited to actual economic damages that
15 do not exceed \$500; and

16 (B) AS 45.50.537 are limited to actual economic damages.

17 (c) The Department of Administration may enforce (a) of this section against a
18 governmental agency. The procedure for review of an order or action of the
19 department under this subsection is the same as the procedure provided by AS 44.62
20 (Administrative Procedure Act), except that the office of administrative hearings
21 (AS 44.64.010) shall conduct the hearings in contested cases and the decision may be
22 appealed under AS 44.64.030(c).

23 **Sec. 45.48.090. Definitions.** In AS 45.48.010 - 45.48.090,

24 (1) "breach of the security" means unauthorized acquisition, or
25 reasonable belief of unauthorized acquisition, of personal information that
26 compromises the security, confidentiality, or integrity of the personal information
27 maintained by the information collector; in this paragraph, "acquisition" includes
28 acquisition by

29 (A) photocopying, facsimile, or other paper-based method;

30 (B) a device, including a computer or a radio frequency
31 identification device, that can read, write, or store information that is

1 represented in numerical form; in this subparagraph, "radio frequency
2 identification device" means an electronic tagging and tracking technology that
3 wirelessly transmits identifying information to a remote reader; or

4 (C) a method not identified by (A) or (B) of this paragraph;

5 (2) "covered person" means a

6 (A) person doing business;

7 (B) a governmental agency; or

8 (C) a person with more than 10 employees;

9 (3) "governmental agency" means a state or local governmental
10 agency, except for an agency of the judicial branch;

11 (4) "information collector" means a covered person who owns or
12 licenses personal information in any form if the personal information includes
13 personal information on a state resident;

14 (5) "information distributor" means a person who is an information
15 collector and who owns or licenses personal information to an information recipient;

16 (6) "information recipient" means a person who is an information
17 collector but who does not own or have the right to license to another information
18 collector the personal information received by the person from an information
19 distributor;

20 (7) "personal information" means information in any form on an
21 individual that is not encrypted or redacted, or is encrypted and the encryption key has
22 been accessed or acquired, and that consists of a combination of

23 (A) an individual's name; in this subparagraph, "individual's
24 name" means a combination of an individual's

25 (i) first name or first initial; and

26 (ii) last name; and

27 (B) one or more of the following information elements:

28 (i) the individual's social security number;

29 (ii) the individual's driver's license number or state
30 identification card number;

31 (iii) except as provided in (iv) of this subparagraph, the

1 individual's account number, credit card number, or debit card number;

2 (iv) if an account can only be accessed with a personal
3 code, the number in (iii) of this subparagraph and the personal code; in
4 this sub-subparagraph, "personal code" means a security code, an
5 access code, a personal identification number, or a password;

6 (v) passwords, personal identification numbers, or other
7 access codes for financial accounts.

8 **Article 2. Credit Report and Credit Score Security Freeze.**

9 **Sec. 45.48.100. Security freeze authorized.** A consumer may prohibit a
10 consumer credit reporting agency from releasing the consumer's credit report or credit
11 score without the express authorization of the consumer by placing a security freeze
12 on the consumer's credit report.

13 **Sec. 45.48.110. Placement of security freeze.** (a) To place a security freeze, a
14 consumer shall make the request to the consumer credit reporting agency

15 (1) by mail to the address designated by the consumer credit reporting
16 agency to receive security freeze requests; or

17 (2) as allowed by (b) of this section.

18 (b) A consumer may make a request under (a) of this section by telephone or
19 by fax, the Internet, or other electronic media if the consumer credit reporting agency
20 has developed procedures for using the telephone or an electronic medium to receive
21 and process the request in an expedited manner.

22 (c) A consumer credit reporting agency shall place a security freeze within
23 five business days after receiving a request under (a) or (b) of this section and proper
24 identification from the consumer.

25 **Sec. 45.48.120. Confirmation of security freeze.** (a) Within 10 business days
26 after a consumer makes the request under AS 45.48.110, a consumer credit reporting
27 agency shall send a written confirmation of the placement of the security freeze to the
28 consumer. The confirmation must also inform the consumer that the consumer credit
29 reporting agency may charge, as allowed by AS 45.48.160, a fee for third-party access
30 during the security freeze.

31 (b) At the same time that the consumer credit reporting agency sends a

1 confirmation under (a) of this section, the consumer credit reporting agency shall
2 provide the consumer with a unique personal identification number, password, or
3 similar device to be used by the consumer when the consumer authorizes the release of
4 the consumer's credit report or credit score under AS 45.48.130.

5 **Sec. 45.48.130. Access and actions during security freeze.** (a) While a
6 security freeze is in place, a consumer credit reporting agency shall allow a third party
7 access to a consumer's credit report or credit score if the consumer requests that the
8 consumer credit reporting agency allow the access.

9 (b) To make a request under (a) of this section, the consumer shall contact the
10 consumer credit reporting agency by mail at the address designated by the consumer
11 credit reporting agency to receive security freeze requests or as allowed by (c) of this
12 section, authorize the consumer credit reporting agency to allow the access, and
13 provide the consumer credit reporting agency with

14 (1) proper identification to verify the consumer's identity;

15 (2) the unique personal identification number, password, or similar
16 device provided under AS 45.48.120(b); and

17 (3) the proper information necessary to identify the third party to
18 whom the consumer credit reporting agency may allow the access or the time period
19 during which the consumer credit reporting agency may allow the access to third
20 parties who request the access.

21 (c) In addition to making the request by mail, a consumer may make a request
22 under (a) of this section by telephone or by fax, the Internet, or other electronic media
23 if the consumer credit reporting agency has developed procedures for using the
24 telephone or an electronic medium to receive and process the request in an expedited
25 manner.

26 (d) A consumer credit reporting agency that receives a request from a
27 consumer under (b) or (c) of this section shall comply with the request within 15
28 minutes after receiving the request by telephone or by an electronic medium or within
29 three business days after receiving the request by mail.

30 (e) If a security freeze is in place, a consumer credit reporting agency may not
31 release the credit report or credit score to a third party without the prior express

1 authorization of the consumer.

2 (f) If a security freeze is in place on a consumer's credit report and credit score
3 and if a third party applies to a consumer credit reporting agency to provide the third
4 party with access to the consumer's credit report or credit score, the consumer credit
5 reporting agency and the third party may treat the third party's application as
6 incomplete unless the consumer authorizes the access under (a) of this section.

7 (g) If a security freeze is in place, a consumer credit reporting agency may not
8 change the consumer's official information in the consumer's credit report and credit
9 score without sending a written statement of the change to the consumer within 30
10 days after the change is made. A consumer credit reporting agency is not required to
11 send a written statement if the consumer credit reporting agency makes a technical
12 change in the consumer's official information. If a consumer credit reporting agency
13 makes a change, other than a technical change, in a consumer's address, the consumer
14 credit reporting agency shall send the written statement to the consumer at both the
15 new address and the former address. In this subsection,

16 (1) "official information" means name, birth date, social security
17 number, and address;

18 (2) "technical change" means changing spelling, transposing numbers
19 or letters, abbreviating a word, or spelling out an abbreviation.

20 (h) This section is not intended to prevent a consumer credit reporting agency
21 from advising a third party that requests access to a consumer's credit report or credit
22 score that a security freeze is in effect.

23 (i) The procedures used by a consumer credit reporting agency for
24 implementing the provisions of this section may include the use of telephone,
25 facsimile, or electronic means if making the disclosure by the electronic means is
26 consistent with the provisions regarding electronic records and signatures required for
27 notices legally required to be in writing under 15 U.S.C. 7001 et seq. (Electronic
28 Signatures in Global and National Commerce Act).

29 **Sec. 45.48.140. Removal of security freeze.** (a) Except as provided by
30 AS 45.48.130, a consumer credit reporting agency may not remove a security freeze
31 unless

1 (1) the consumer requests that the consumer credit reporting agency
2 remove the security freeze under (b) of this section; or

3 (2) the consumer made a material misrepresentation of fact to the
4 consumer credit reporting agency when the consumer requested the security freeze
5 under AS 45.48.110; if a consumer credit reporting agency intends to remove a
6 security freeze on a consumer's credit report under this paragraph, the consumer credit
7 reporting agency shall notify the consumer in writing before removing the security
8 freeze.

9 (b) A consumer credit reporting agency shall remove a security freeze within
10 three business days after receiving a request for removal from the consumer who
11 requested the security freeze.

12 (c) To make a request under (b) of this section, the consumer shall contact the
13 consumer credit reporting agency by mail or as allowed by (d) of this section,
14 authorize the consumer credit reporting agency to remove the security freeze, and
15 provide the consumer credit reporting agency with

16 (1) proper identification to verify the consumer's identity; and

17 (2) the unique personal identification number, password, or similar
18 device provided under AS 45.48.120(b).

19 (d) In addition to mail, a consumer may make a request under (b) of this
20 section by telephone or by fax, the Internet, or other electronic media if the consumer
21 credit reporting agency has developed procedures for using the telephone or an
22 electronic medium to receive and process the request in an expedited manner.

23 **Sec. 45.48.150. Prohibition.** When dealing with a third party, a consumer
24 credit reporting agency may not suggest, state, or imply that a consumer's security
25 freeze reflects a negative credit score, history, report, or rating.

26 **Sec. 45.48.160. Charges.** (a) Except as provided by (b), (c), or (d) of this
27 section, a consumer credit reporting agency may not charge a consumer to place or
28 remove a security freeze, to provide access under AS 45.48.130, or to take any other
29 action, including the issuance of a personal identification number, password, or similar
30 device under AS 45.48.120, that is related to the placement of, removal of, or allowing
31 access to a credit report or credit score on which a security freeze has been placed.

1 (b) A consumer credit reporting agency may charge a consumer \$5 for placing
2 a security freeze.

3 (c) If a consumer makes more than two access requests during a calendar year,
4 a consumer credit reporting agency may charge the consumer \$2 for each additional
5 access request made by the consumer during that calendar year. In this subsection,
6 "access request" means a request made by the consumer under AS 45.48.130 to allow
7 third-party access to the consumer's credit report or credit score on which a security
8 freeze has been placed.

9 (d) If a consumer fails to retain a personal identification number, password, or
10 similar device issued under AS 45.48.120, a consumer credit reporting agency may
11 charge the consumer up to \$5 for each time after the first time that the consumer credit
12 reporting agency issues the consumer another personal identification number,
13 password, or similar device because the consumer failed to retain the personal
14 identification number, password, or similar device.

15 (e) A consumer credit reporting agency may not charge a consumer a fee
16 under (b) or (c) of this section if the consumer has been a victim of identity theft and
17 provides the consumer credit reporting agency with a complaint filed by the consumer
18 with a law enforcement agency.

19 **Sec. 45.48.170. Notice of rights.** When a consumer credit reporting agency is
20 required to give a consumer a summary of rights under 15 U.S.C. 1681g of the Fair
21 Credit Reporting Act, a consumer credit reporting agency shall also give the consumer
22 the following notice:

23 **Consumers Have the Right to Obtain a Security Freeze**

24 You may obtain a security freeze on your credit report and
25 credit score for \$5 to protect your privacy and ensure that credit is not
26 granted in your name without your knowledge. You may not have to
27 pay the \$5 charge if you are a victim of identity theft. You have a right
28 to place a "security freeze" on your credit report and credit score under
29 state law (AS 45.48.100 - 45.48.290).

30 The security freeze will prohibit a consumer credit reporting
31 agency from releasing your credit score and any information in your

1 credit report without your express authorization or approval.

2 The security freeze is designed to prevent credit, loans, and
3 other services from being approved in your name without your consent.
4 However, you should be aware that using a security freeze to take
5 control over who gets access to the personal and financial information
6 in your credit report and credit score may delay, interfere with, or
7 prohibit the timely approval of any subsequent request or application
8 you make regarding a new loan, credit, a mortgage, a governmental
9 service, a governmental payment, a cellular telephone, a utility, an
10 Internet credit card application, an extension of credit at point of sale,
11 and other items and services.

12 When you place a security freeze on your credit report and
13 credit score, within 10 business days you will be provided a personal
14 identification number, password, or similar device to use if you choose
15 to remove the freeze on your credit report and credit score or to
16 temporarily authorize the release of your credit report and credit score
17 to a specific third party or specific third parties or for a specific period
18 of time after the freeze is in place. To provide that authorization, you
19 must contact the consumer credit reporting agency and provide all of
20 the following:

- 21 (1) proper identification to verify your identity;
22 (2) the personal identification number, password, or
23 similar device provided by the consumer credit reporting agency;
24 (3) proper information necessary to identify the third
25 party or third parties who are authorized to receive the credit report and
26 credit score or the specific period of time for which the credit report
27 and credit score are to be available to third parties.

28 A consumer credit reporting agency that receives your request
29 to temporarily lift a freeze on a credit report and credit score is required
30 to comply with the request within 15 minutes after receiving your
31 request if you make the request by telephone, or an electronic method if

1 the agency provides an electronic method, or within three business days
2 after receiving your request if you make the request by mail. After the
3 first two requests in a year, the consumer credit reporting agency may
4 charge you \$2 to temporarily lift the freeze.

5 A security freeze does not apply to circumstances where you
6 have an existing account relationship and a copy of your credit report
7 and credit score are requested by your existing creditor or its agents or
8 affiliates for certain types of account review, collection, fraud control,
9 or similar activities.

10 If you are actively seeking credit, you should understand that
11 the procedures involved in lifting a security freeze may slow your own
12 applications for credit. You should plan ahead and lift a freeze, either
13 completely if you are shopping around, or specifically for a certain
14 creditor, days before applying for new credit.

15 You have a right to bring a civil action against someone who
16 violates your rights under these laws on security freezes. The action can
17 be brought against a consumer credit reporting agency.

18 **Sec. 45.48.180. Notification after violation.** If a consumer credit reporting
19 agency violates a security freeze by releasing a consumer's credit report or credit
20 score, the consumer credit reporting agency shall notify the consumer within five
21 business days after discovering or being notified of the release, and the information in
22 the notice must include an identification of the information released and of the third
23 party who received the information.

24 **Sec. 45.48.190. Resellers.** A consumer credit reporting agency that acts as a
25 reseller of consumer information shall honor a security freeze placed on a consumer's
26 credit report and credit score by another consumer credit reporting agency.

27 **Sec. 45.48.200. Violations and penalties.** (a) A consumer who suffers
28 damages as a result of a person's violation of AS 45.48.100 - 45.48.290 may bring an
29 action in court against the person and recover, in the case of a violation where the
30 person acted

31 (1) negligently, actual economic damages, court costs allowed by the

1 rules of court, and full reasonable attorney fees;

2 (2) knowingly,

3 (A) damages as described in (1) of this subsection;

4 (B) punitive damages that are not less than \$100 nor more than
5 \$5,000 for each violation as the court determines to be appropriate; and

6 (C) other relief that the court determines to be appropriate.

7 (b) A consumer may bring an action in court against a person for a violation or
8 threatened violation of AS 45.48.100 - 45.48.290 for injunctive relief, whether or not
9 the consumer seeks another remedy under this section.

10 (c) Notwithstanding (a)(2) of this section, a person who knowingly violates
11 AS 45.48.100 - 45.48.290 is liable in a class action for an amount that the court
12 allows. When determining the amount of an award in a class action under this
13 subsection, the court shall consider, among the relevant factors, the amount of any
14 actual damages awarded, the frequency of the violations, the resources of the violator,
15 and the number of consumers adversely affected.

16 (d) In this section, "knowingly" has the meaning given in AS 11.81.900.

17 **Sec. 45.48.210. Exemptions.** (a) The provisions of AS 45.48.100 - 45.48.290
18 do not apply to the use of a credit report by

19 (1) a person, the person's subsidiary, affiliate, or agent, or the person's
20 assignee with whom a consumer has or, before the assignment, had an account,
21 contract, or debtor-creditor relationship if the purpose of the use is to review the
22 consumer's account or to collect a financial obligation owing on the account, contract,
23 or debt;

24 (2) a subsidiary, an affiliate, an agent, an assignee, or a prospective
25 assignee of a person to whom access has been granted under AS 45.48.130 if the
26 purpose of the use is to facilitate the extension of credit or another permissible use;

27 (3) a person acting under a court order, warrant, or subpoena;

28 (4) an agency of a state or municipality that administers a program for
29 establishing and enforcing child support obligations;

30 (5) the Department of Health and Social Services, its agents, or its
31 assigns when investigating fraud;

1 (6) the Department of Revenue, its agents, or its assigns when
 2 investigating or collecting delinquent taxes or unpaid court orders or when
 3 implementing its other statutory responsibilities;

4 (7) a person if the purpose of the use is prescreening allowed under 15
 5 U.S.C. 1681b(c) of the Fair Credit Reporting Act;

6 (8) a person administering a credit file monitoring subscription service
 7 to which the consumer has subscribed;

8 (9) a person providing a consumer with a copy of the consumer's credit
 9 report or credit score at the consumer's request;

10 (10) a person if the data base or file of the consumer credit reporting
 11 agency consists entirely of information concerning and used solely for one or more of
 12 the following purposes:

13 (A) criminal record information;

14 (B) personal loss history information;

15 (C) fraud prevention or detection;

16 (D) tenant screening; or

17 (E) employment screening; or

18 (11) a person for use for insurance purposes in setting a rate, adjusting
 19 a rate, adjusting a claim, or underwriting, except that this paragraph may not be
 20 interpreted to authorize an insurance practice that is prohibited by other law.

21 (b) Except as provided by AS 45.48.190, the provisions of AS 45.48.100 -
 22 45.48.290 do not apply to a person when acting only as a reseller of consumer
 23 information.

24 **Sec. 45.48.290. Definitions.** In AS 45.48.100 - 45.48.290,

25 (1) "account review" means activities related to account maintenance,
 26 account monitoring, credit line increases, and account upgrades and enhancements;

27 (2) "consumer" means an individual who is the subject of a credit
 28 report or credit score;

29 (3) "consumer credit reporting agency" has the meaning given in
 30 AS 45.48.990, but does not include a person who issues reports

31 (A) on incidents of fraud or authorizations for the purpose of

1 approving or processing negotiable instruments, electronic funds transfers, or
2 similar methods of payments; or

3 (B) regarding account closures because of fraud, substantial
4 overdrafts, automated teller machine abuse, or similar negative information
5 regarding a consumer to inquiring banks or other financial institutions for use
6 only in reviewing consumer requests for deposit accounts at the inquiring
7 banks or financial institutions;

8 (4) "reseller of consumer information" means a person who assembles
9 and merges information contained in the data bases of consumer credit reporting
10 agencies and does not maintain a permanent data base of consumer information from
11 which new consumer credit reports are produced;

12 (5) "security freeze" means a prohibition against a consumer credit
13 reporting agency from releasing a consumer's credit report or credit score without the
14 express authorization of the consumer;

15 (6) "third party" means a person who is not

16 (A) the consumer who is the subject of the consumer's credit
17 report or credit score; or

18 (B) the consumer credit reporting agency that is holding the
19 consumer's credit report or credit score.

20 **Article 3. Protection of Social Security Number.**

21 **Sec. 45.48.400. Use of social security number.** (a) A person may not

22 (1) intentionally communicate or otherwise make available to the
23 general public an individual's social security number;

24 (2) print an individual's social security number on a card required for
25 the individual to access products or services provided by the person;

26 (3) require an individual to transmit the individual's social security
27 number over the Internet unless the Internet connection is secure or the social security
28 number is encrypted;

29 (4) require an individual to use the individual's social security number
30 to access an Internet site unless a password, a unique personal identification number,
31 or another authentication device is also required to access the site; or

1 (5) print an individual's social security number on material that is
2 mailed to the individual unless

3 (A) local, state, or federal law, including a regulation adopted
4 under AS 45.48.470, expressly authorizes placement of the social security
5 number on the material; or

6 (B) the social security number is included on an application or
7 other form, including a document sent as a part of an application process or an
8 enrollment process, sent by mail to establish, amend, or terminate an account, a
9 contract, or a policy, or to confirm the accuracy of the social security number;
10 however, a social security number allowed to be mailed under this
11 subparagraph may not be printed, in whole or in part, on a postcard or other
12 mailer that does not require an envelope, or in a manner that makes the social
13 security number visible on the envelope or without the envelope's being
14 opened.

15 (b) The prohibitions in (a) of this section do not apply if the person is
16 engaging in the business of government and

17 (1) is authorized by law to communicate or otherwise make available
18 to the general public the individual's social security number; or

19 (2) the communicating or otherwise making available of the
20 individual's social security number is required for the performance of the person's
21 duties or responsibilities as provided by law.

22 **Sec. 45.48.410. Request and collection.** (a) A person who does business in the
23 state, including the business of government, may not request or collect from an
24 individual the individual's social security number. This subsection does not prohibit a
25 person from asking for another form of identification from the individual.

26 (b) The prohibition in (a) of this section does not apply

27 (1) if the person is authorized by local, state, or federal law, including
28 a regulation adopted under AS 45.48.470, to demand proof of the individual's social
29 security number, to request or collect the individual's social security number, or to
30 submit the individual's social security number to the local, state, or federal
31 government;

1 (2) if the person is engaging in the business of government and

2 (A) is authorized by law to request or collect the individual's
3 social security number; or

4 (B) the request or collection of the individual's social security
5 number is required for the performance of the person's duties or
6 responsibilities as provided by law;

7 (3) to a person subject to or a transaction regulated by the Gramm-
8 Leach-Bliley Financial Modernization Act for a purpose authorized by the Gramm-
9 Leach-Bliley Financial Modernization Act;

10 (4) to a person subject to or a transaction regulated by the Fair Credit
11 Reporting Act for a purpose authorized by the Fair Credit Reporting Act;

12 (5) if the request or collection is for a background check on the
13 individual, fraud prevention, medical treatment, law enforcement or other government
14 purposes, or the individual's employment, including employment benefits; or

15 (6) if the request or collection does not have independent economic
16 value, is incidental to a larger transaction or a larger anticipated transaction, and is
17 necessary to verify the identity of the individual.

18 **Sec. 45.48.420. Sale, lease, loan, trade, or rental.** (a) A person may not sell,
19 lease, loan, trade, or rent an individual's social security number to a third party.

20 (b) The prohibition in (a) of this section does not apply if the sale, lease, loan,
21 trade, or rental is

22 (1) authorized by local, state, or federal law, including a regulation
23 adopted under AS 45.48.470;

24 (2) by a person subject to or for a transaction regulated by the Gramm-
25 Leach-Bliley Financial Modernization Act for a purpose authorized by the Gramm-
26 Leach-Bliley Financial Modernization Act;

27 (3) by a person subject to or for a transaction regulated by the Fair
28 Credit Reporting Act for a purpose authorized by the Fair Credit Reporting Act;

29 (4) part of a report prepared by a consumer credit reporting agency in
30 response to a request by a person and the person submits the social security number as
31 part of the request to the consumer credit reporting agency for the preparation of the

1 report.

2 (c) Nothing in this section prevents a business from transferring social security
3 numbers to another person if the transfer is part of the sale or other transfer of the
4 business to the other person.

5 (d) A transfer of an individual's social security number for the sole purpose of
6 identifying a person about whom a report or database check is ordered, received, or
7 provided is not a sale, lease, loan, trade, or rental of a social security number under
8 this section.

9 (e) A person who knowingly violates (a) of this section is guilty of a class A
10 misdemeanor. In this subsection, "knowingly" has the meaning given in AS 11.81.900.

11 **Sec. 45.48.430. Disclosure.** (a) A person doing business, including the
12 business of government, may not disclose an individual's social security number to a
13 third party.

14 (b) The prohibition in (a) of this section does not apply if

15 (1) the disclosure is authorized by local, state, or federal law, including
16 a regulation adopted under AS 45.48.470;

17 (2) the person is engaging in the business of government and

18 (A) is authorized by law to disclose the individual's social
19 security number; or

20 (B) the disclosure of the individual's social security number is
21 required for the performance of the person's duties or responsibilities as
22 provided by law;

23 (3) the disclosure is to a person subject to or for a transaction regulated
24 by the Gramm-Leach-Bliley Financial Modernization Act, and the disclosure is for a
25 purpose authorized by the Gramm-Leach-Bliley Financial Modernization Act or to
26 facilitate a transaction of the individual;

27 (4) the disclosure is to a person subject to or for a transaction regulated
28 by the Fair Credit Reporting Act, and the disclosure is for a purpose authorized by the
29 Fair Credit Reporting Act;

30 (5) the disclosure is part of a report prepared by a consumer credit
31 reporting agency in response to a request by a person and the person submits the social

1 security number as part of the request to the consumer credit reporting agency for the
2 preparation of the report; or

3 (6) the disclosure is for a background check on the individual, identity
4 verification, fraud prevention, medical treatment, law enforcement or other
5 government purposes, or the individual's employment, including employment benefits.

6 **Sec. 45.48.440. Interagency disclosure.** Notwithstanding the other provisions
7 of AS 45.48.400 - 45.48.480, a state or local governmental agency may disclose an
8 individual's social security number to another state or local governmental agency or to
9 an agency of the federal government if the disclosure is required in order for the
10 agency to carry out the agency's duties and responsibilities.

11 **Sec. 45.48.450. Exception for employees, agents, and independent**
12 **contractors.** (a) Notwithstanding the other provisions of AS 45.48.400 - 45.48.480, a
13 person may disclose an individual's social security number to an employee or agent of
14 the person for a legitimate purpose established by and as directed by the person, but
15 the employee or agent may not use the social security number for another purpose or
16 make an unauthorized disclosure of the individual's personal information.

17 (b) Notwithstanding the other provisions of AS 45.48.400 - 45.48.480, and
18 except as provided for an agent under (a) of this section, a person may disclose an
19 individual's social security number to an independent contractor of the person to
20 facilitate the purpose or transaction for which the individual initially provided the
21 social security number to the person, but the independent contractor may not use the
22 social security number for another purpose or make an unauthorized disclosure of the
23 individual's personal information. In this subsection, "independent contractor"
24 includes a debt collector.

25 **Sec. 45.48.460. Employment-related exception.** The provisions of
26 AS 45.48.400 - 45.48.480 may not be construed to restrict a person's use or exchange
27 of an individual's social security number

28 (1) in the course of the administration of a claim, benefit, or procedure
29 related to the individual's employment by the person, including the individual's
30 termination from employment, retirement from employment, and injury suffered
31 during the course of employment; or

1 (2) to check on an unemployment insurance claim of the individual.

2 **Sec. 45.48.470. Agency regulations.** If regulations are necessary in order for a
3 state agency to carry out the state agency's duties and responsibilities, a state agency
4 may adopt regulations under AS 44.62 (Administrative Procedure Act) to establish
5 when the state agency or a person regulated by the state agency may

6 (1) print an individual's social security number on material that is
7 mailed to the individual;

8 (2) demand proof from an individual of the individual's social security
9 number, collect from an individual the individual's social security number, or submit
10 an individual's social security number to a local, state, or federal agency;

11 (3) ask an individual to provide the state agency with the individual's
12 social security number;

13 (4) disclose an individual's social security number to a third party;

14 (5) sell, lease, loan, trade, or rent an individual's social security number
15 to a third party.

16 **Sec. 45.48.480. Penalties.** (a) A person who knowingly violates AS 45.48.400
17 - 45.48.430 is liable to the state for a civil penalty not to exceed \$3,000.

18 (b) An individual may bring a civil action in court against a person who
19 knowingly violates AS 45.48.400 - 45.48.430 and may recover actual economic
20 damages, court costs allowed by the rules of court, and full reasonable attorney fees.

21 (c) In this section, "knowingly" has the meaning given in AS 11.81.900.

22 **Article 4. Disposal of Records.**

23 **Sec. 45.48.500. Disposal of records.** (a) When disposing of records that
24 contain personal information, a business and a governmental agency shall take all
25 reasonable measures necessary to protect against unauthorized access to or use of the
26 records.

27 (b) Notwithstanding (a) of this section, if a business or governmental agency
28 has otherwise complied with the provisions of AS 45.48.500 - 45.48.590 in the
29 selection of a third party engaged in the business of record destruction, the business or
30 governmental agency is not liable for the disposal of records under AS 45.48.500 -
31 45.48.590 after the business or governmental agency has relinquished control of the

1 records to the third party for the destruction of the records.

2 (c) A business or governmental agency is not liable for the disposal of records
3 under AS 45.48.500 - 45.48.590 after the business or governmental agency has
4 relinquished control of the records to the individual to whom the records pertain.

5 **Sec. 45.48.510. Measures to protect access.** The measures that may be taken
6 to comply with AS 45.48.500 include

7 (1) implementing and monitoring compliance with policies and
8 procedures that require the burning, pulverizing, or shredding of paper documents
9 containing personal information so that the personal information cannot practicably be
10 read or reconstructed;

11 (2) implementing and monitoring compliance with policies and
12 procedures that require the destruction or erasure of electronic media and other
13 nonpaper media containing personal information so that the personal information
14 cannot practicably be read or reconstructed;

15 (3) after due diligence, entering into a written contract with a third
16 party engaged in the business of record destruction to dispose of records containing
17 personal information in a manner consistent with AS 45.48.500 - 45.48.590.

18 **Sec. 45.48.520. Due diligence.** In AS 45.48.510(3), due diligence ordinarily
19 includes performing one or more of the following:

20 (1) reviewing an independent audit of the third party's operations and
21 its compliance with AS 45.48.500 - 45.48.590;

22 (2) obtaining information about the third party from several references
23 or other reliable sources and requiring that the third party be certified by a recognized
24 trade association or similar organization with a reputation for high standards of quality
25 review; or

26 (3) reviewing and evaluating the third party's information security
27 policies and procedures, or taking other appropriate measures to determine the
28 competency and integrity of the third party.

29 **Sec. 45.48.530. Policy and procedures.** A business or governmental agency
30 shall adopt written policies and procedures that relate to the adequate destruction and
31 proper disposal of records containing personal information and that are consistent with

1 AS 45.48.500 - 45.48.590.

2 **Sec. 45.48.540. Exemptions.** (a) A business or a governmental agency is not
3 required to comply with AS 45.48.500 - 45.48.530 if federal law requires that the
4 business or governmental agency act in a way that does not comply with AS 45.48.500
5 - 45.48.530.

6 (b) A business is not required to comply with AS 45.48.500 - 45.48.530 if

7 (1) the business is subject to and in compliance with the Gramm-
8 Leach-Bliley Financial Modernization Act; or

9 (2) the manner of the disposal of the records of the business is subject
10 to 15 U.S.C. 1681w of the Fair Credit Reporting Act and the business is complying
11 with 15 U.S.C. 1861w.

12 **Sec. 45.48.550. Civil penalty.** (a) An individual, a business, or a governmental
13 agency that knowingly violates AS 45.48.500 - 45.48.590 is liable to the state for a
14 civil penalty not to exceed \$3,000.

15 (b) In this section, "knowingly" has the meaning given in AS 11.81.900.

16 **Sec. 45.48.560. Court action.** An individual who is damaged by a violation of
17 AS 45.48.500 - 45.48.590 may bring a civil action in court to enjoin further violations
18 and to recover for the violation actual economic damages, court costs allowed by the
19 rules of court, and full reasonable attorney fees.

20 **Sec. 45.48.590. Definitions.** In AS 45.48.500 - 45.48.590,

21 (1) "business" means a person who conducts business in the state or a
22 person who conducts business and maintains or otherwise possesses personal
23 information on state residents; in this paragraph,

24 (A) "conducts business" includes engaging in activities as a
25 financial institution organized, chartered, or holding a license or authorization
26 certificate under the laws of this state, another state, the United States, or
27 another country;

28 (B) "possesses" includes possession for the purpose of
29 destruction;

30 (2) "dispose" means

31 (A) the discarding or abandonment of records containing

1 personal information;

2 (B) the sale, donation, discarding, or transfer of

3 (i) any medium, including computer equipment or
4 computer media, that contains records of personal information;

5 (ii) nonpaper media, other than that identified under (i)
6 of this subparagraph, on which records of personal information are
7 stored; and

8 (iii) equipment for nonpaper storage of information;

9 (3) "governmental agency" means a state or local governmental
10 agency, except for an agency of the judicial branch;

11 (4) "personal information" means

12 (A) an individual's passport number, driver's license number,
13 state identification number, bank account number, credit card number, debit
14 card number, other payment card number, financial account information, or
15 information from a financial application; or

16 (B) a combination of an individual's

17 (i) name; and

18 (ii) medical information, insurance policy number,
19 employment information, or employment history;

20 (5) "records" means material on which information that is written,
21 drawn, spoken, visual, or electromagnetic is recorded or preserved, regardless of
22 physical form or characteristics, but does not include publicly available information
23 containing names, addresses, telephone numbers, or other information an individual
24 has voluntarily consented to have publicly disseminated or listed.

25 **Article 5. Factual Declaration of Innocence after Identity Theft; Right to File Police**
26 **Report Regarding Identity Theft.**

27 **Sec. 45.48.600. Factual declaration of innocence after identity theft.** (a) A
28 victim of identity theft may petition the superior court for a determination that the
29 victim is factually innocent of a crime if

30 (1) the perpetrator of the identity theft was arrested for, cited for, or
31 convicted of the crime using the victim's identity;

1 (2) a criminal complaint was filed against the perpetrator of the
2 identity theft; and

3 (3) the victim's identity was mistakenly associated with a record of a
4 conviction for a crime.

5 (b) In addition to a petition by a victim under (a) of this section, the
6 department may petition the superior court for a determination under (a) of this
7 section, or the superior court may, on its own motion, make a determination under (a)
8 of this section.

9 **Sec. 45.48.610. Basis for determination.** A determination of factual
10 innocence under AS 45.48.600 may be heard and made on declarations, affidavits,
11 police reports, or other material, relevant, and reliable information submitted by the
12 parties or ordered to be made a part of the record by the court.

13 **Sec. 45.48.620. Criteria for determination; court order.** (a) A court may
14 determine that a petitioner under AS 45.48.600 is factually innocent of a crime if the
15 court finds beyond a reasonable doubt that

16 (1) the petitioner is a victim of identity theft;

17 (2) the petitioner did not commit the offense for which the perpetrator
18 of the identity theft was arrested, cited, or convicted;

19 (3) the petitioner filed a criminal complaint against the perpetrator of
20 the identity theft; and

21 (4) the petitioner's identity was mistakenly associated with a record of
22 conviction for the crime.

23 (b) If a court finds under this section that the victim is factually innocent of a
24 crime, the court shall issue an order indicating this determination of factual innocence
25 and shall provide the victim with a copy of the order.

26 **Sec. 45.48.630. Orders regarding records.** After a court issues an order under
27 AS 45.48.620, the court may order the name and associated personal information of
28 the victim of identity theft that is contained in the files, indexes, and other records of
29 the court that are accessible by the public labeled to show that the name and personal
30 information of the victim of identity theft is incorrect.

31 **Sec. 45.48.640. Vacation of determination.** A court that has issued an order

1 under AS 45.48.620 may, at any time, vacate the order if the petition, or any
2 information submitted in support of the petition, is found to contain a material
3 misrepresentation, omission, or false information.

4 **Sec. 45.48.650. Court form.** The supreme court of the state may develop a
5 form to be used for the order under AS 45.48.620.

6 **Sec. 45.48.660. Data base.** The department may establish and maintain a data
7 base of individuals who have been victims of identity theft and who have received an
8 order under AS 45.48.620. The department shall provide a victim or the victim's
9 authorized representative access to a data base established under this section to
10 establish that the individual has been a victim of identity theft. Access to the a data
11 base established under this section is limited to criminal justice agencies, victims of
12 identity theft, and individuals and agencies authorized by the victims.

13 **Sec. 45.48.670. Toll-free telephone number.** The department may establish
14 and maintain a toll-free telephone number to provide access to information in a data
15 base established under AS 45.48.660.

16 **Sec. 45.48.680. Right to file police report regarding identity theft.** (a) Even
17 if the local law enforcement agency does not have jurisdiction over the theft of an
18 individual's identity, if an individual who has learned or reasonably suspects the
19 individual has been the victim of identity theft contacts, for the purpose of filing a
20 complaint, a local law enforcement agency that has jurisdiction over the individual's
21 actual place of residence, the local law enforcement agency shall make a report of the
22 matter and provide the individual with a copy of the report. The local law enforcement
23 agency may refer the matter to a law enforcement agency in a different jurisdiction.

24 (b) This section is not intended to interfere with the discretion of a local law
25 enforcement agency to allocate its resources to the investigation of crime. A local law
26 enforcement agency is not required to count a complaint filed under (a) of this section
27 as an open case for purposes that include compiling statistics on its open cases.

28 **Sec. 45.48.690. Definitions.** In AS 45.48.600 - 45.48.690,

- 29 (1) "crime" has the meaning given in AS 11.81.900;
30 (2) "department" means the Department of Law;
31 (3) "perpetrator" means the person who perpetrated the theft of an

1 individual's identity;

2 (4) "victim" means an individual who is the victim of identity theft.

3 **Article 6. Truncation of Card Information.**

4 **Sec. 45.48.750. Truncation of card information.** (a) A person who accepts
5 credit cards or debit cards for the transaction of business may not print more than the
6 last four digits of the card number or the expiration date on any receipt or other
7 physical record of the transaction provided at the point of the sale or transaction.

8 (b) This section applies only to receipts that are electronically printed and does
9 not apply to transactions in which the sole means of recording a credit card or debit
10 card account number is by handwriting or by an imprint or copy of the card.

11 (c) A person may not sell a device that electronically prints more than the last
12 four digits of a credit card or debit card on a consumer receipt for a business
13 transaction or on a copy retained by a business person for a business transaction.

14 (d) An individual may bring a civil action in court against a person who
15 knowingly violates (a) of this section and may recover actual economic damages,
16 court costs allowed by the rules of court, and full reasonable attorney fees.

17 (e) A person who knowingly violates this section is liable to the state for a
18 civil penalty not to exceed \$3,000.

19 (f) In this section,

20 (1) "credit" means the right granted by a creditor to a debtor to defer
21 payment of debt, to incur debts and defer payment of the debt, or to purchase property
22 or services and defer payment of the purchase; in this paragraph, "creditor" means a
23 person who regularly extends, renews, or continues credit, a person who regularly
24 arranges for the extension, renewal, or continuation of credit, or an assignee of an
25 original creditor who participates in the decision to extend, renew, or continue credit;

26 (2) "credit card" means a card, plate, coupon book, or other credit
27 device existing for the purpose of obtaining money, property, labor, or services on
28 credit;

29 (3) "debit card" means a card issued by a financial institution to a
30 consumer for use in initiating an electronic fund transfer from the account of the
31 consumer at the financial institution for the purpose of transferring money between

1 accounts or obtaining money, property, labor, or services;

2 (4) "knowingly" has the meaning given in AS 11.81.900.

3 **Article 7. General Provisions.**

4 **Sec. 45.48.990. Definitions.** In this chapter, unless the context indicates
5 otherwise,

6 (1) "consumer" means an individual;

7 (2) "consumer credit reporting agency" means a person who, for
8 monetary fees, dues, or on a cooperative nonprofit basis, regularly engages in whole or
9 in part in the practice of assembling or evaluating consumer credit information or
10 other information on consumers for the purpose of furnishing credit reports to third
11 parties;

12 (3) "credit report" means a written, oral, or other communication of
13 information by a consumer credit reporting agency bearing on a consumer's credit
14 worthiness, credit standing, credit capacity, character, general reputation, personal
15 characteristics, or mode of living if the communication is used or expected to be used
16 or collected in whole or in part to serve as a factor in establishing the consumer's
17 eligibility for

18 (A) credit or insurance to be used primarily for personal,
19 family, or household purposes;

20 (B) employment purposes; or

21 (C) any other permissible purpose authorized under section 15
22 U.S.C. 1681b;

23 (4) "Fair Credit Reporting Act" means 15 U.S.C. 1681 - 1681x;

24 (5) "Gramm-Leach-Bliley Financial Modernization Act" means 15
25 U.S.C. 6801 - 6827;

26 (6) "identity theft" means the theft of the identity of an individual;

27 (7) "information system" means any information system, including a
28 system consisting of digital data bases and a system consisting of pieces of paper;

29 (8) "person" has the meaning given in AS 01.10.060 and includes a
30 state or local governmental agency, except for an agency of the judicial branch;

31 (9) "state resident" means an individual who satisfies the residency

1 requirements under AS 01.10.055.

2 **Sec. 45.48.995. Short title.** This chapter may be cited as the Alaska Personal
3 Information Protection Act.

4 * **Sec. 4.** AS 45.50.471(b) is amended by adding a new paragraph to read:

5 (53) an information collector, other than a governmental agency,
6 violating AS 45.48.010 - 45.48.090 (breach of security involving personal
7 information); in this paragraph,

8 (A) "governmental agency" has the meaning given in
9 AS 45.48.090;

10 (B) "information collector" has the meaning given in
11 AS 45.48.090.

12 * **Sec. 5.** The uncodified law of the State of Alaska is amended by adding a new section to
13 read:

14 **INDIRECT COURT RULE AMENDMENTS.** (a) AS 45.48.640, enacted by sec. 3 of
15 this Act, has the effect of changing Rule 60(b), Alaska Rules of Civil Procedure, by allowing
16 a court to vacate an order on its own motion and at any time and by establishing a specific
17 criterion for vacating the order under AS 45.48.640.

18 (b) AS 45.48.200(a), 45.48.480(b), 45.48.560, and 45.48.750(d), enacted by sec. 3 of
19 this Act, have the effect of changing Rule 82, Alaska Rules of Civil Procedure, by changing
20 the criteria for determining the amount of attorney fees to be awarded to a party in an action
21 under AS 45.48.200(a), 45.48.480(b), 45.48.560, or 45.48.750(d).

22 * **Sec. 6.** The uncodified law of the State of Alaska is amended by adding a new section to
23 read:

24 **TRANSITION: REGULATIONS.** A state agency may proceed to adopt regulations
25 necessary to implement this Act. The regulations take effect under AS 44.62 (Administrative
26 Procedure Act), but not before the effective date of the law implemented by the regulation.

27 * **Sec. 7.** AS 45.48.470, enacted by sec. 3 of this Act, takes effect immediately under
28 AS 01.10.070(c).

29 * **Sec. 8.** Section 6 of this Act takes effect immediately under AS 01.10.070(c).

30 * **Sec. 9.** Except as provided by secs. 7 and 8 of this Act, this Act takes effect January 1,
31 2009.