# **KRS § 304.3-750**

This document is current through Chapter 5 of the 2024 session.

***Michie’s™ Kentucky Revised Statutes* > *TITLE XXV Business and Financial Institutions (Chs. 286 — 307)* > *CHAPTER 304 Insurance Code (§§ 304.001 — 304.99-154)* > *SUBTITLE 3. Authorization of Insurers and General Requirements (§§ 304.3-010 — 304.3-768)* > *Data Security (§§ 304.3-750 — 304.3-768)***

**304.3-750. Definitions for KRS 304.3-750 to 304.3-768.**

As used in KRS 304.3-750 to 304.3-768:

**(1)** “Consumer” means an individual, including but not limited to an applicant, policyholder, insured, beneficiary, claimant, and certificate holder:

**(a)** Who is a resident of this Commonwealth; and

**(b)** Whose nonpublic information is in a licensee’s possession, custody, or control;

**(2)** “Cybersecurity event”:

**(a)** Means an event resulting in unauthorized access to, disruption of, or misuse of an information system or nonpublic information stored on an information system; and

**(b)** Shall not include:

**1.** Unauthorized acquisition of encrypted nonpublic information if the encryption, process, or key is not also acquired, released, or used without authorization; or

**2.** An event with regard to which the licensee has determined that the nonpublic information accessed by an unauthorized person:

**a.** Has not been used or released; and

**b.** Has been returned or destroyed;

**(3)** “Encrypted” means the transformation of data into a form that results in a low probability of assigning meaning without the use of a protective process or key;

**(4)** “Information security program” means the administrative, technical, and physical safeguards that a licensee uses to access, collect, distribute, process, protect, store, use, transmit, dispose of, or otherwise handle nonpublic information;

**(5)** “Information system”:

**(a)** Means a discrete set of electronic nonpublic information resources organized for the collection, processing, maintenance, use, sharing, dissemination, or disposition of electronic information; and

**(b)** Shall include any specialized system such as industrial or process controls systems, telephone switching and private branch exchange systems, and environmental control systems;

**(6)** “Licensee”:

**(a)** Means any person who is, or is required to be, licensed, authorized to operate, or registered pursuant to the insurance laws of this state; and

**(b)** Shall not include:

**1.** A purchasing group or a risk retention group chartered and licensed in a state other than this state; or

**2.** A licensee that is acting as an assuming insurer that is domiciled in another state or jurisdiction;

**(7)** “Nonpublic information”:

**(a)** Means electronic information that is not publicly available information; and

**(b)** Shall include:

**1.** Business-related information of a licensee that if tampered with, or disclosed, accessed, or used without authorization, would cause a material adverse impact to the business, operations, or security of the licensee;

**2.** Any confidential personal identifying information of a consumer, including:

**a.** Social Security number;

**b.** Operator’s license number or personal identification card number;

**c.** Financial account number;

**d.** Credit or debit card number;

**e.** Any security code, access code, or password that would permit access to a consumer’s financial account; or

**f.** Biometric records; and

**3.** Any information or data, except age or gender, in any form or medium created by or derived from a health care provider or a consumer that relates to:

**a.** The past, present, or future physical, mental, or behavioral health or condition of any consumer or member of the consumer’s family;

**b.** The provision of health care to any consumer; or

**c.** Payment for the provision of health care to any consumer;

**(8)** “Person” means any individual or nongovernmental entity, including but not limited to any nongovernmental partnership, corporation, branch, agency, or association;

**(9)**

**(a)** “Publicly available information” means any information that a licensee has a reasonable basis to believe is lawfully made available to the general public from:

**1.** Federal, state, or local government records;

**2.** Widely distributed media; or

**3.** Disclosures to the general public that are required to be made by federal, state, or local law.

**(b)** For purposes of this definition, a licensee has a reasonable basis to believe that information is lawfully made available to the general public if the licensee has taken steps to determine:

**1.** That the information is of the type that is available to the general public; and

**2.** Whether the consumer can direct that information not be made available to the general public, and if so, that the consumer has not done so; and

**(10)** “Third-party service provider” means a person, other than a licensee, that:

**(a)** Contracts with a licensee to maintain, process, or store nonpublic information; or

**(b)** Is otherwise permitted access to nonpublic information through its provision of services to a licensee.

**History**

2022 ch. 149, § 1, effective January 1, 2023.

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