

## HB470 INTRODUCED



1 HB470  
2 F2MF5DD-1  
3 By Representatives Chestnut, Daniels, Lawrence, Lands, Gray,  
4 Drummond, Stadthagen  
5 RFD: State Government  
6 First Read: 20-Mar-25



SYNOPSIS:

This bill would establish the Government Information Privacy Protection Act and requirements for state and federal agencies that have access to personally identifiable information.

This bill would require training for certain state employees with access to personally identifiable information.

This bill would establish requirements for the vendors with which state agencies are authorized to enter into contracts.

This bill would also establish an oversight board.

A BILL  
TO BE ENTITLED  
AN ACT

Relating to data protection; to establish the Government Information Privacy Protection Act; to provide for the protection of personally identifiable information; to establish civil and criminal liability; to provide penalties for civil and criminal violations; and to establish an



## HB470 INTRODUCED

29 oversight board.

30 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

31 Section 1. This act shall be known as the Government  
32 Information Privacy Protection Act.

33 Section 2. The purpose of this act is to protect  
34 personally identifiable information collected by state  
35 agencies from unauthorized sharing, to ensure transparency in  
36 federal use of the data, and to establish legal and procedural  
37 safeguards to prevent misuse.

38 Section 3. For the purposes of this act, the following  
39 terms have the following meanings:

40 (1) FEDERAL AGENCY. Any department, agency, or  
41 instrumentality of the federal government.

42 (2) PERSONALLY IDENTIFIABLE INFORMATION. Any  
43 information that may be used to distinguish or trace an  
44 individual's identity, including, but not limited to, the  
45 individual's name, Social Security number, driver license  
46 number, or biometric records.

47 (3) STATE AGENCY. Any department, board, bureau,  
48 commission, or other entity of the state government, a county  
49 government, or a municipal government.

50 (4) THIRD PARTY. Any entity, whether public or private,  
51 other than the state agency or federal agency that originally  
52 received the data.

53 (5) VENDOR. Any contractor, subcontractor, or service  
54 provider handling personally identifiable information on  
55 behalf of a state or federal agency.

56 Section 4. (a) A federal agency that receives



## HB470 INTRODUCED

personally identifiable information from a state agency may not disclose, sell, transfer, or grant access to the data to any third party without doing both of the following:

(1) Providing written notice to the state agency that supplied the data.

(2) Providing written notice to any individual whose data is affected, except where prohibited by law.

(b) A state agency shall not transfer personally identifiable information to any federal agency unless the federal agency provides a written statement to the state agency detailing all of the following:

(1) The intended use of the data.

(2) Any anticipated sharing of the data with third parties.

(3) The security measures in place to protect the data.

(4) The duration for which the data will be retained.

(c) Each document created pursuant to subdivision (a)(1) and subsection (b) shall be deemed a public record and kept on file by the receiving state agency in accordance with state law governing public records.

Section 5. Any employee of a state agency who handles personally identifiable information that is subject to transfer to a federal agency shall complete annual privacy training that includes education on all of the following:

(1) State and federal privacy law.

(2) Best practices related to data security.

(3) Reporting obligations related to suspected misuse.

(4) Consequences of noncompliance.



## HB470 INTRODUCED

85           Section 6. (a) A state agency may not enter into a  
86 contract with any vendor that meets any of the following  
87 criteria:

88           (1) Does not disclose the vendor's lifetime security  
89 rating and annual security rating for each of the five  
90 preceding years.

91           (2) Has been found in violation of state or federal  
92 data protection laws within the past five years.

93           (3) Fails to comply with contractual requirements for  
94 safeguarding personally identifiable information.

95           (b) Any vendor that receives personally identifiable  
96 information due to a contract with a state agency shall be  
97 prohibited from sharing the data beyond what is explicitly  
98 authorized by the contract.

99           (c) For each disclosure made to a state agency pursuant  
100 to subdivision (a)(1), the agency shall make a record of that  
101 disclosure, which shall be deemed a public record and shall be  
102 kept on file by the agency in accordance with state law  
103 governing public records.

104          Section 7. (a) Any individual who knowingly violates  
105 this act shall be subject to civil liability including fines  
106 of up to fifty thousand dollars (\$50,000) per violation.

107          (b) An employee of a state agency who knowingly  
108 violates this act commits a Class A misdemeanor and is subject  
109 to a fine of up to one hundred thousand dollars (\$100,000) per  
110 violation.

111          (c) An employee of a state agency who knowingly  
112 participates in a pattern or practice of violations of this



## HB470 INTRODUCED

act commits a Class D felony and is subject to a fine of up to five hundred thousand dollars (\$500,000) per violation.

Section 8. The Attorney General shall have exclusive enforcement authority regarding violations of this act.

Section 9. (a) An independent Privacy Oversight Board is established to monitor compliance with this act and report annually to the Legislature on the effectiveness of the protections created by this act.

(b) The board shall be composed of one member appointed by and serving at the pleasure of each of the following:

(1) The President Pro Tempore of the Senate.

(2) The Minority Leader of the Senate.

(3) The Speaker of the House of Representatives.

(4) The Minority Leader of the House of Representatives.

(c) An individual is eligible for appointment to the board if, in the last four statewide or presidential elections, he or she has voted in at least two primary elections in which he or she selected the ballot of the party opposite of the party membership of the appointing entity.

(d) Each board member shall have relevant experience in cyber security, forensic accounting, data compliance, data analysis, or a related field.

(e) By October 1 of each year beginning October 1, 2026, the board shall submit a report to the Legislature covering the previous calendar year. The report shall be organized by state agency.

Section 10. This act shall become effective on October



## HB470 INTRODUCED

141 1, 2025.