

**As Introduced**

**135th General Assembly  
Regular Session  
2023-2024**

**H. B. No. 507**

**Representative Hillyer**

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**A BILL**

To amend section 1354.01 of the Revised Code to 1  
extend legal safe harbor to political 2  
subdivisions that implement a specified 3  
cybersecurity program. 4

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

**Section 1.** That section 1354.01 of the Revised Code be 5  
amended to read as follows: 6

**Sec. 1354.01.** As used in this chapter: 7

(A) "Business" means any limited liability company, 8  
limited liability partnership, corporation, sole proprietorship, 9  
association, state institution of higher education as defined in 10  
section 3345.011 of the Revised Code, private college as defined 11  
in section 3365.01 of the Revised Code, or other group, however 12  
organized and whether operating for profit or not for profit, 13  
including a financial institution organized, chartered, or 14  
holding a license authorizing operation under the laws of this 15  
state, any other state, the United States, or any other country, 16  
or the parent or subsidiary of any of the foregoing. 17

(B) "Covered entity" means a business or political 18  
subdivision that accesses, maintains, communicates, or processes 19

personal information or restricted information in or through one 20  
or more systems, networks, or services located in or outside 21  
this state. 22

(C) "Data breach" means unauthorized access to and 23  
acquisition of computerized data that compromises the security 24  
or confidentiality of personal information or restricted 25  
information owned by or licensed to a covered entity and that 26  
causes, reasonably is believed to have caused, or reasonably is 27  
believed will cause a material risk of identity theft or other 28  
fraud to person or property. "Data breach" does not include 29  
either of the following: 30

(1) Good faith acquisition of personal information or 31  
restricted information by the covered entity's employee or agent 32  
for the purposes of the covered entity's, provided that the 33  
personal information or restricted information is not used for 34  
an unlawful purpose or subject to further unauthorized 35  
disclosure; 36

(2) Acquisition of personal information or restricted 37  
information pursuant to a search warrant, subpoena, or other 38  
court order, or pursuant to a subpoena, order, or duty of a 39  
regulatory state agency. 40

(D) "Personal information" has the same meaning as in 41  
section 1349.19 of the Revised Code. 42

(E) "Political subdivision" means a municipal corporation, 43  
township, county, park district, conservancy district, sanitary 44  
district, sewer district, special water district, or other body 45  
corporate and politic responsible for governmental activities in 46  
a geographic area smaller than that of the state. 47

(F) "Restricted information" means any information about 48

an individual, other than personal information, that, alone or 49  
in combination with other information, including personal 50  
information, can be used to distinguish or trace the 51  
individual's identity or that is linked or linkable to an 52  
individual, if the information is not encrypted, redacted, or 53  
altered by any method or technology in such a manner that the 54  
information is unreadable, and the breach of which is likely to 55  
result in a material risk of identity theft or other fraud to 56  
person or property. 57

As used in this division, "encrypted," "individual," and 58  
"redacted" have the same meanings as in section 1349.19 of the 59  
Revised Code. 60

**Section 2.** That existing section 1354.01 of the Revised 61  
Code is hereby repealed. 62