

S 2472

Increasing Notice of Foreign Outsourcing Act

**Congress:** 108 (2003–2005, Ended)

**Chamber:** Senate

**Policy Area:** Commerce

**Introduced:** May 20, 2004

**Current Status:** Read twice and referred to the Committee on the Judiciary. (text of measure as introduced: CR S6007-

**Latest Action:** Read twice and referred to the Committee on the Judiciary. (text of measure as introduced: CR S6007-6009) (May 20, 2004)

**Official Text:** <https://www.congress.gov/bill/108th-congress/senate-bill/2472>

Sponsor

**Name:** Sen. Nelson, Bill [D-FL]

**Party:** Democratic • **State:** FL • **Chamber:** Senate

Cosponsors

No cosponsors are listed for this bill.

Committee Activity

Committee	Chamber	Activity	Date
Judiciary Committee	Senate	Referred To	May 20, 2004

Subjects & Policy Tags

**Policy Area:**

Commerce

Related Bills

Bill	Relationship	Last Action
108 S 2481	Identical bill	<b>Jun 1, 2004:</b> Read twice and referred to the Committee on the Judiciary. (text of measure as introduced: CR S6276-6278)

Increasing Notice of Foreign Outsourcing Act - Directs the Secretary of Health and Human Services (HHS) to issue regulations requiring covered entities under the Health Insurance Portability and Accountability Act of 1996 that outsource protected health information to foreign-based business associates to include in their notice of privacy protections: (1) notification of outsourcing; (2) any risks and consequences to the privacy and security of such information resulting from outsourcing; (3) additional measures the covered entity is taking to protect outsourced protected health information; and (4) certification that the covered entity has taken reasonable steps to ensure that the handling of such information will comport with applicable laws.

Amends the Gramm-Leach-Bliley Act to impose similar requirements on financial institutions that outsource nonpublic personal information to foreign-based businesses.

Directs the Secretary of HHS, with regard to protected health information outsourced by covered entities, and the Federal banking agencies, National Credit Union Administration, Secretary of the Treasury, Securities and Exchange Commission, and Federal Trade Commission, with regard to nonpublic personal information outsourced by financial institutions, to issue regulations requiring: (1) outsourcing contracts with foreign-based businesses to contain audit provisions; and (2) such businesses and subcontractors to be contractually bound by Federal privacy standards and security safeguards.

Establishes notification procedures in the event of a breach of database security involving protected health or nonpublic personal information.

Requires contracts with foreign call centers to include a provision requiring call center employees to disclose their physical location upon request. Imposes civil penalties for violators.

### **Actions Timeline**

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- **May 20, 2004:** Introduced in Senate
- **May 20, 2004:** Sponsor introductory remarks on measure. (CR S6006-6007)
- **May 20, 2004:** Read twice and referred to the Committee on the Judiciary. (text of measure as introduced: CR S6007-6009)