



General Assembly

January Session, 2019

Raised Bill No. 811

LCO No. 3825



Referred to Committee on BANKING

Introduced by:
(BA)

***AN ACT INCREASING PENALTIES FOR COMPUTER CRIMES
AGAINST FINANCIAL INSTITUTIONS AND THEIR CUSTOMERS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 53-451 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2019*):

3 (a) As used in sections 53-451 to 53-453, inclusive, unless the context
4 clearly requires otherwise:

5 (1) "Computer" means an electronic, magnetic or optical device or
6 group of devices that, pursuant to a computer program, human
7 instruction or permanent instructions contained in the device or group
8 of devices, can automatically perform computer operations with or on
9 computer data and can communicate the results to another computer
10 or to a person. "Computer" includes any connected or directly related
11 device, equipment or facility that enables the computer to store,
12 retrieve or communicate computer programs, computer data or the
13 results of computer operations to or from a person, another computer
14 or another device.

15 (2) "Computer data" means any representation of information,

16 knowledge, facts, concepts or instructions that is being prepared or has
17 been prepared and is intended to be processed, is being processed or
18 has been processed in a computer or computer network. "Computer
19 data" may be in any form, whether readable only by a computer or
20 only by a human or by either, including, but not limited to, computer
21 printouts, magnetic storage media, punched cards or stored internally
22 in the memory of the computer. "Computer data" includes, but is not
23 limited to, nonpublic personal information of individuals who use, or
24 apply to use, the products or services of a financial institution.

25 (3) "Computer network" means a set of related, remotely connected
26 devices and any communications facilities including more than one
27 computer with the capability to transmit data among them through the
28 communications facilities.

29 (4) "Computer operation" means arithmetic, logical, monitoring,
30 storage or retrieval functions and any combination thereof, and
31 includes, but is not limited to, communication with, storage of data to
32 or retrieval of data from any device or human hand manipulation of
33 electronic or magnetic impulses. A "computer operation" for a
34 particular computer may also be any function for which that computer
35 was generally designed.

36 (5) "Computer program" means an ordered set of data representing
37 coded instructions or statements that, when executed by a computer,
38 causes the computer to perform one or more computer operations.

39 (6) "Computer services" means computer time or services including
40 data processing services, Internet services, electronic mail services,
41 electronic message services or information or data stored in connection
42 therewith.

43 (7) "Computer software" means a set of computer programs,
44 procedures and associated documentation concerned with computer
45 data or with the operation of a computer, computer program or
46 computer network.

47 (8) "Electronic mail service provider" means any person who (A) is
48 an intermediary in sending or receiving electronic mail, and (B)
49 provides to end-users of electronic mail services the ability to send or
50 receive electronic mail.

51 (9) "Financial institution" means the following institutions doing
52 business in this state: (A) Banks with deposits insured by the Federal
53 Deposit Insurance Corporation; (B) credit unions with accounts
54 insured by the National Credit Union Administration; (C) broker-
55 dealers registered with the Securities and Exchange Commission
56 pursuant to Section 15 of the Securities Exchange Act of 1934; (D)
57 insurance companies licensed under the laws of this state; and (E)
58 investment advisory firms registered with the Securities and Exchange
59 Commission or the securities division of the Department of Banking.

60 ~~[(9)]~~ (10) "Financial instrument" includes, but is not limited to, any
61 of the following, or any computerized representation thereof: (A) Any
62 check, draft, warrant, money order, note, certificate of deposit, letter of
63 credit, bill of exchange, credit or debit card, transaction authorization
64 mechanism, marketable security, [or any computerized representation
65 thereof] or (B) any device, instrument or instruction that can be used to
66 access a loan or deposit account with a financial institution or to access
67 money, securities or other similar property held by a financial
68 institution for the benefit of another person in a custodial, trust or
69 fiduciary capacity.

70 ~~[(10)]~~ (11) "Owner" means an owner or lessee of a computer or a
71 computer network, or an owner, lessee or licensee of computer data,
72 computer programs or computer software.

73 ~~[(11)]~~ (12) "Person" means a natural person, corporation, limited
74 liability company, trust, partnership, incorporated or unincorporated
75 association and any other legal or governmental entity, including any
76 state or municipal entity or public official.

77 ~~[(12)]~~ (13) "Property" means: (A) Real property; (B) computers and
78 computer networks; (C) financial instruments, computer data,

79 computer programs, computer software and all other personal
80 property regardless of whether they are: (i) Tangible or intangible; (ii)
81 in a format readable by humans or by a computer; (iii) in transit
82 between computers or within a computer network or between any
83 devices which comprise a computer; or (iv) located on any paper or in
84 any device on which it is stored by a computer or by a human; and (D)
85 computer services.

86 [(13)] (14) A person "uses" a computer or computer network when
87 such person:

88 (A) Attempts to cause or causes a computer or computer network to
89 perform or to stop performing computer operations;

90 (B) Attempts to cause or causes the withholding or denial of the use
91 of a computer, computer network, computer program, computer data
92 or computer software to another user; or

93 (C) Attempts to cause or causes another person to put false
94 information into a computer.

95 [(14)] (15) A person is "without authority" when such person (A) has
96 no right or permission of the owner to use a computer or such person
97 uses a computer in a manner exceeding such right or permission, or (B)
98 uses a computer, a computer network or the computer services of an
99 electronic mail service provider to transmit unsolicited bulk electronic
100 mail in contravention of the authority granted by or in violation of the
101 policies set by the electronic mail service provider. Transmission of
102 electronic mail from an organization to its members shall not be
103 deemed to be unsolicited bulk electronic mail.

104 (b) It shall be unlawful for any person to use a computer or
105 computer network without authority and with the intent to:

106 (1) Temporarily or permanently remove, halt or otherwise disable
107 any computer data, computer programs or computer software from a
108 computer or computer network;

109 (2) Cause a computer to malfunction, regardless of how long the
110 malfunction persists;

111 (3) Alter or erase any computer data, computer programs or
112 computer software;

113 (4) Effect the creation or alteration of a financial instrument or of an
114 electronic transfer of funds;

115 (5) Cause physical injury to the property of another;

116 (6) Make or cause to be made an unauthorized copy, in any form,
117 including, but not limited to, any printed or electronic form of
118 computer data, computer programs or computer software residing in,
119 communicated by or produced by a computer or computer network; or

120 (7) Falsify or forge electronic mail transmission information or other
121 routing information in any manner in connection with the
122 transmission of unsolicited bulk electronic mail through or into the
123 computer network of an electronic mail service provider or its
124 subscribers.

125 (c) It shall be unlawful for any person to knowingly sell, give or
126 otherwise distribute or possess with the intent to sell, give or distribute
127 software that: (1) Is primarily designed or produced for the purpose of
128 facilitating or enabling the falsification of electronic mail transmission
129 information or other routing information; (2) has only limited
130 commercially significant purpose or use other than to facilitate or
131 enable the falsification of electronic mail transmission information or
132 other routing information; or (3) is marketed by that person or another
133 acting in concert with that person with that person's knowledge for use
134 in facilitating or enabling the falsification of electronic mail
135 transmission information or other routing information.

136 (d) Any person who violates any provision of this section shall be
137 guilty of a class B misdemeanor, except that (1) if such person's
138 reckless disregard for the consequences of such person's actions causes

139 damage to the property of another person in an amount exceeding two
140 thousand five hundred dollars, such person shall be guilty of a class A
141 misdemeanor, [and] (2) if such person's malicious actions cause
142 damage to the property of another person in an amount exceeding two
143 thousand five hundred dollars, such person shall be guilty of a class D
144 felony, and (3) if such person violates this section with respect to the
145 property of a financial institution, including, but not limited to, any
146 computer, computer network, computer program or computer
147 software owned, leased or licensed by a financial institution, shall be
148 guilty of a class A felony.

149 (e) Nothing in this section shall be construed to interfere with or
150 prohibit terms or conditions in a contract or license related to
151 computers, computer data, computer networks, computer operations,
152 computer programs, computer services or computer software or to
153 create any liability by reason of terms or conditions adopted by, or
154 technical measures implemented by, a Connecticut-based electronic
155 mail service provider to prevent the transmission of unsolicited
156 electronic mail in violation of this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2019	53-451

Statement of Purpose:

To increase penalties for computer crimes against financial institutions and their customers.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]