<u>2SSB 6281</u> - H AMD TO ITED COMM AMD (H-5242.1/20) **2155**By Representative Smith

NOT ADOPTED 03/06/2020

On page 3, line 19 of the striking amendment, after "(4)" insert "Chief privacy officer" means the person appointed under RCW 3 43.105.369(2).

4 (5)"

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Renumber the remaining subsections consecutively and correct any internal reference accordingly.

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- On page 3, line 36 of the striking amendment, after "(9)" insert 10 "(a) "Data broker" means a business, or unit or units of a business, 11 separately or together, that knowingly collects and sells or licenses
- 12 to third parties the personal data of a consumer with whom the
- 13 business does not have a direct relationship.
- 14 (b) The following activities conducted by a business do not
- 15 qualify the business as a data broker:
- 16 (i) Furnishing a consumer report, as defined in 15 U.S.C. Sec.
- 17 1681a(d), by a consumer reporting agency, as defined in 15 U.S.C. Sec.
- 18 1681a(f);
- 19 (ii) Collecting or disclosing nonpublic personal information, as
- 20 defined in 15 U.S.C. Sec. 6809(4), by a financial institution, as
- 21 defined in 15 U.S.C. Sec. 6809(3), in a manner than is regulated under
- 22 the federal Gramm Leach Bliley act, P.L. 106-102, and implementing
- 23 regulations;
- (iii) Providing 411 directory assistance or directory information
- 25 services, including name, address, and telephone number, on behalf of
- 26 or as a function of a telecommunications carrier; or

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- 1 (iv) Providing publicly available information via real-time or
- 2 near real-time alert services for health or safety purposes.
- 3 (10)"

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- 5 Renumber the remaining subsections consecutively and correct any
- 6 internal references accordingly.

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- 8 On page 21, after line 15 of the striking amendment, insert the 9 following:
- "NEW SECTION. Sec. 11. DATA BROKER REGISTRATION. (1) Annually,
- 11 on or before January 31st following a year in which a business meets
- 12 the definition of data broker as provided in section 3 of this act, a
- 13 data broker shall:
- 14 (a) Register with the chief privacy officer;
- 15 (b) Pay a registration fee of two hundred fifty dollars to the
- 16 chief privacy officer; and
- 17 (c) Provide the following information to the chief privacy
- 18 officer:
- (i) The name and primary physical, email, and internet addresses
- 20 of the data broker;
- 21 (ii) If the data broker permits a consumer to opt out of the data
- 22 broker's collection of personal data, opt out of its databases, or opt
- 23 out of certain sales of data:
- 24 (A) The method for requesting an opt-out;
- 25 (B) If the opt-out applies to only certain activities or sales, a
- 26 statement specifying to which activities or sales the opt-out applies;
- (C) Whether the data broker permits a consumer to authorize a
- 28 third party to opt out on the consumer's behalf;
- 29 (D) A statement specifying the data collection, databases, or
- 30 sales activities from which a consumer may not opt out;
- 31 (iii) Whether the data broker implements a purchaser credentialing
- 32 process;
- (iv) Where the data broker has actual knowledge that it possesses
- 34 the personal data of minors, a separate statement detailing the data

- 1 collection practices, databases, sales activities, and opt-out
- 2 policies that are applicable to the personal data of minors; and
- 3 (v) Any additional data that the data broker chooses to provide
- 4 concerning its data collection practices.
- 5 (2) The chief privacy officer is authorized to coordinate with a
- 6 third party for the purpose of collecting the registration fee under
- 7 subsection (1)(b) of this section.
- 8 (3) A data broker that fails to fulfill the requirements of
- 9 subsection (1) of this section is subject to:
- 10 (a) A civil penalty of fifty dollars for each day, not to exceed a
- 11 total of ten thousand dollars for each year it fails to register
- 12 pursuant to this section;
- 13 (b) A fine equal to the fees due under this section during the
- 14 period it failed to register pursuant to this section; and
- 15 (c) Other penalties imposed by law.
- 16 (4) The attorney general may maintain an action to collect the
- 17 penalties imposed in this section and to seek appropriate injunctive
- 18 relief."

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- 20 Renumber the remaining sections consecutively and correct any
- 21 internal references accordingly.

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- On page 26, line 4 of the striking amendment, after "through"
- 24 strike "18 and 20" and insert "19 and 21"

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EFFECT: Adds the definitions of "Chief Privacy Officer" and "data broker." Requires data brokers to register annually with the Chief Privacy Officer and disclose certain information regarding their practices.

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