#### **BILL SUMMARY**

1<sup>st</sup> Session of the 59<sup>th</sup> Legislature

Bill No.: HB1030
Version: INT
Request Number: 5039
Author: Rep. West (Josh)
Date: 3/1/2023
Impact: \$0

# **Research Analysis**

HB 1030, as introduced, creates the Oklahoma Computer Data Privacy Act.

This act applies to businesses that operate in the state, collect consumers' personal information, and meet one or more of the following criteria:

- Have an annual gross income exceeding \$15 million;
- Buy, sell, or receive shares of the personal information of at least 50,000 consumers, households, or devices; or
- Derive 25 percent or more of the business's annual revenue from selling consumers' information.

### The act requires businesses to:

- Write privacy policies in plain language and include:
  - How the consumer may request their data be corrected or deleted;
  - What personal information is collected and reasons it is collected;
  - Whether the information is shared or sold and to what type of entities;
  - Consumers' right to opt in to the sale of their personal information and web link to do so; and
  - o How long the data is retained.
- When requested by consumer, disclose personal data;
- When requested by consumer, disclose if the data is shared and the category of third parties with whom the business shares the personal information;
- Delete data if requested by the consumer. This also includes their data that was shared with third parties;
- Conspicuously inform consumers of their rights to opt out of personalized advertising;
- Provide at least two points of contact;
- Provide requests within 45 days with extensions, if needed; and
- Protect consumers' personal information from unauthorized use, disclosure, access, destruction, or modification.

#### The act prohibits businesses from:

- Sharing personal data to third parties unless it is necessary to provide a requested good or service or for security purposes or fraud detection; and
- Denying service or altering prices or services based on a consumer's rights granted in the measure.

The act allows businesses to:

- Incentivize consumers sharing their data by providing discounts or payments to consumers who voluntarily participate in a program that rewards consumers for repeated transactions;
- Limit records requests to twice per 12-month period for each consumer; and
- Charge a fee in the case of baseless or excessive verifiable consumer requests.

The measure directs the attorney general to enforce the act. Intentional violations may be liable for up to \$7,500 per violation and unintentional violations may be liable for up to \$2,500 per violation.

The measure provides exemptions, such as activity subject to the <u>Fair Credit Reporting Act</u>, medical information governed by privacy health laws, de-identified information derived from a HIPAA-regulated entity, personal data used in accordance with the <u>Gramm-Leach-Bliley Act of 1999</u> or the <u>Driver's Privacy Protection Act of 1994</u>, and businesses outside this state where every aspect of the collection or sale of personal data occurred outside of Oklahoma.

Prepared By: Autumn Mathews

## **Fiscal Analysis**

This measure creates new law relating to privacy of computer data, providing protections for the personal information of consumers and enacting guidelines for businesses collecting consumer data information. Persons in violation of this act would be liable to the state of Oklahoma for injunctive relief and/or civil penalties. The Oklahoma Attorney General (AG) would be entitled to recover reasonable expenses, including reasonable attorney fees, court costs, and investigatory costs incurred in obtaining injunctive relief or civil penalties, or both. The frequency of such violations is not predictable, however the penalty collections associated with this measure would have a positive impact on the General Revenue Fund.

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## **Other Considerations**

None.

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