STATE OF NEW YORK

6848

2019-2020 Regular Sessions

IN SENATE

November 13, 2019

Introduced by Sen. THOMAS -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the general business law, in relation to requiring registration of data brokers and directing the attorney general to maintain a website of such registrations

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. The general business law is amended by adding a new article 44 to read as follows:

ARTICLE 44

DATA BROKER REGISTRY

Section 1400. Definitions.
1401. Annual registration.
1402. Website.
1403. Penalties.

§ 1400. Definitions. For the purposes of this article, the following terms shall have the following meanings:

1. "Consumer" shall mean a natural person who is a New York resident. "Consumer" shall not include an employee or contractor of a business acting in their role as an employee or contractor.

2. "Data broker" shall mean a business that knowingly collects and sells to third parties the personal information of a consumer with whom the business does not have a direct relationship. "Data broker" shall not include a consumer reporting agency covered by the federal Fair Credit Reporting Act or a financial institution covered by the Gramm-Leach-Bliley Act or an entity covered by the Insurance Information and Privacy Protection Act.

3. "Direct relationship" shall mean that the consumer is a past or present: (a) customer, client, subscriber or user of the business's goods or services; (b) employee, contractor or agent of the business; (c) investor in the business; or (d) donor to the business.

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

LBD14182-01-9

4. "Personal information" shall mean any information concerning a natural person which, because of name, number, personal mark, or other identifier, can be used to identify such natural person.

§ 1401. Annual registration. Annually, on or before January thirty-first, a data broker, as defined under this article, shall:

1. register with the attorney general in a manner provided for by the attorney general;

2. pay a registration fee in an amount determined by the attorney general not to exceed the reasonable cost of establishing and maintaining the informational website described in section fourteen hundred three of this article; and

3. provide the following information:

(a) the name of the data broker and its primary physical, email and internet website address;

(b) whether the data broker permits a consumer to: opt out of the data broker's collection of brokered personal information; opt out of its databases; or opt out of certain sales of data;

(c) the method for requesting an opt-out under paragraph (b) of this subdivision;

(d) a statement specifying the data collection, databases, or sales activities from which a consumer may not opt out; and

(e) any additional information or explanation the data broker chooses to provide concerning its data collection practices.

§ 1402. Website. The attorney general shall establish, manage and maintain a statewide registry on its internet website, which shall list all registered data brokers doing business in the state and make accessible to the public all the information provided by data brokers pursuant to this article. Printed hard copies of such registry shall be made available upon request and payment of a fee to be determined by the attorney general.

§ 1403. Penalties. A data broker that fails to register is subject to injunction and is liable for civil penalties of one hundred dollars for each day that such data broker fails to register, an amount equal to the fees due under this section during the period such data broker failed to register and expenses incurred by the attorney general in the investigation and prosecution of the action.

§ 2. This act shall take effect on the first of January next succeeding the date on which it shall have become a law.