

# STATE OF NEW YORK

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2021-2022 Regular Sessions

## IN SENATE

May 12, 2021

Introduced by Sens. THOMAS, BIAGGI, COMRIE, JACKSON, KRUEGER, MAY, RAMOS -- read twice and ordered printed, and when printed to be committed to the Committee on Consumer Protection -- recommitted to the Committee on Consumer Protection in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- reported favorably from said committee and committed to the Committee on Internet and Technology -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the general business law, in relation to the management and oversight of personal data

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

1 Section 1. Short title. This act shall be known and may be cited as  
2 the "New York privacy act".  
3 § 2. Legislative intent. 1. Privacy is a fundamental right and an  
4 essential element of freedom. Advances in technology have produced ramp-  
5 ant growth in the amount and categories of personal data being gener-  
6 ated, collected, stored, analyzed, and potentially shared, which  
7 presents both promise and peril. Companies collect, use and share our  
8 personal data in ways that can be difficult for ordinary consumers to  
9 understand. Opaque data processing policies make it impossible to evalu-  
10 ate risks and compare privacy-related protections across services,  
11 stifling competition. Algorithms quietly make decisions with critical  
12 consequences for New York consumers, often with no human accountability.  
13 Behavioral advertising generates profits by turning people into products  
14 and their activity into assets. New York consumers deserve more notice  
15 and more control over their data and their digital privacy.  
16 2. This act seeks to help New York consumers regain their privacy. It  
17 gives New York consumers the ability to exercise more control over their  
18 personal data and requires businesses to be responsible, thoughtful, and

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

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1 accountable managers of that information. To achieve this, this act  
2 provides New York consumers a number of new rights, including clear  
3 notice of how their data is being used, processed and shared; the abili-  
4 ty to access and obtain a copy of their data in a commonly used elec-  
5 tronic format, with the ability to transfer it between services; the  
6 ability to correct inaccurate data and to delete their data; and the  
7 ability to challenge certain automated decisions. This act also imposes  
8 obligations upon businesses to maintain reasonable data security for  
9 personal data, to notify New York consumers of foreseeable harms arising  
10 from use of their data and to obtain specific consent for that use, and  
11 to conduct regular assessments to ensure that data is not being used for  
12 unacceptable purposes. These data assessments can be obtained and evalu-  
13 ated by the New York State Attorney General, who is empowered to obtain  
14 penalties for violations of this act and prevent future violations. This  
15 act also grants New York consumers who have been injured as the result  
16 of a violation a private right of action, which includes reasonable  
17 attorneys' fees to a prevailing plaintiff.

18 § 3. The general business law is amended by adding a new article 42 to  
19 read as follows:

## 20 ARTICLE 42

### 21 NEW YORK PRIVACY ACT

#### 22 Section 1100. Definitions.

23 1101. Jurisdictional scope.

24 1102. Consumer rights.

25 1103. Controller, processor, and third party responsibilities.

26 1104. Data brokers.

27 1105. Limitations.

28 1106. Enforcement and private right of action.

29 1107. Miscellaneous.

30 § 1100. Definitions. The following definitions apply throughout this  
31 article unless the context clearly requires otherwise:

32 1. "Automated decision-making" or "automated decision" means a compu-  
33 tational process, including one derived from machine learning, artifi-  
34 cial intelligence, or any other automated process, involving personal  
35 data that results in a decision affecting a consumer.

36 2. "Biometric information" means any personal data generated from the  
37 measurement or specific technological processing of a natural person's  
38 biological, physical, or physiological characteristics that allows or  
39 confirms the unique identification of a natural person, including fing-  
40 erprints, voice prints, iris or retina scans, facial scans or templates,  
41 deoxyribonucleic acid (DNA) information, and gait.

42 3. "Business associate" has the same meaning as in Title 45 of the  
43 C.F.R., established pursuant to the federal Health Insurance Portability  
44 and Accountability Act of 1996.

45 4. "Consent" means a clear affirmative act signifying a freely given,  
46 specific, informed, and unambiguous indication of a consumer's agreement  
47 to the processing of data relating to the consumer. Consent may be  
48 withdrawn at any time, and a controller must provide clear, conspicuous,  
49 and consumer-friendly means to withdraw consent. The burden of estab-  
50 lishing consent is on the controller. Consent does not include: (a) an  
51 agreement of general terms of use or a similar document that references  
52 unrelated information in addition to personal data processing; (b) an  
53 agreement obtained through fraud, deceit or deception; (c) any act that  
54 does not constitute a user's intent to interact with another party such  
55 as hovering over, pausing or closing any content; or (d) a pre-checked  
56 box or similar default.

1 5. "Consumer" means a natural person who is a New York resident acting  
2 only in an individual or household context. It does not include a  
3 natural person known to be acting in a professional or employment  
4 context.

5 6. "Controller" means the person who, alone or jointly with others,  
6 determines the purposes and means of the processing of personal data.

7 7. "Covered entity" has the same meaning as in Title 45 of the C.F.R.,  
8 established pursuant to the federal Health Insurance Portability and  
9 Accountability Act of 1996.

10 8. "Data broker" means a person, or unit or units of a legal entity,  
11 separately or together, that does business in the state of New York and  
12 knowingly collects, and sells to controllers or third parties, the  
13 personal data of a consumer with whom it does not have a direct  
14 relationship. "Data broker" does not include any of the following:

15 (a) a consumer reporting agency to the extent that it is covered by  
16 the federal Fair Credit Reporting Act (15 U.S.C. Sec. 1681 et seq.); or

17 (b) a financial institution to the extent that it is covered by the  
18 Gramm-Leach-Bliley Act (Public Law 106-102) and implementing regu-  
19 lations.

20 9. "Decisions that produce legal or similarly significant effects"  
21 means decisions made by the controller that result in the provision or  
22 denial by the controller of financial or lending services, housing,  
23 insurance, education enrollment or opportunity, criminal justice,  
24 employment opportunities, health care services or access to essential  
25 goods or services.

26 10. "Deidentified data" means data that cannot reasonably be used to  
27 infer information about, or otherwise be linked to a particular consum-  
28 er, household or device, provided that the processor or controller that  
29 possesses the data:

30 (a) implements reasonable technical safeguards to ensure that the data  
31 cannot be associated with a consumer, household or device;

32 (b) publicly commits to process the data only as deidentified data and  
33 not attempt to reidentify the data, except that the controller or  
34 processor may attempt to reidentify the information solely for the  
35 purpose of determining whether its deidentification processes satisfy  
36 the requirements of this subdivision; and

37 (c) contractually obligates any recipients of the data to comply with  
38 all provisions of this article.

39 11. "Device" means any physical object that is capable of connecting  
40 to the internet, directly or indirectly, or to another device and is  
41 intended for use by a natural person or household or, if used outside  
42 the home, for use by the general public.

43 12. "Identified or identifiable" means a natural person who can be  
44 identified, directly or indirectly, such as by reference to an identifi-  
45 er such as a name, an identification number, location data, or an online  
46 or device identifier.

47 13. "Meaningful human review" means review or oversight by one or more  
48 individuals who (a) are trained in the capabilities and limitations of  
49 the algorithm at issue and the procedures to interpret and act on the  
50 output of the algorithm, and (b) have the authority to alter the auto-  
51 mated decision under review.

52 14. "Natural person" means a natural person acting only in an individ-  
53 ual or household context. It does not include a natural person known to  
54 be acting in a professional or employment context.

55 15. "Person" means a natural person or a legal entity, including but  
56 not limited to a proprietorship, partnership, limited partnership,

1 corporation, company, limited liability company or corporation, associ-  
2 ation, or other firm or similar body, or any unit, division, agency,  
3 department, or similar subdivision thereof.

4 16. "Personal data" means any data that identifies or could reasonably  
5 be linked, directly or indirectly, with a specific natural person,  
6 household, or device. Personal data does not include deidentified data.

7 17. "Precise geolocation data" means information derived from technol-  
8 ogy, including, but not limited to, global position system level lati-  
9 tude and longitude coordinates or other mechanisms, that directly iden-  
10 tifies the specific location of an individual with precision and  
11 accuracy within a radius of one thousand seven hundred fifty feet,  
12 except as prescribed by regulations. Precise geolocation data does not  
13 include the content of communications or any data generated by or  
14 connected to advance utility metering infrastructure systems or equip-  
15 ment for use by a utility.

16 18. "Process", "processes" or "processing" means an operation or set  
17 of operations which are performed on data or on sets of data, including  
18 but not limited to the collection, use, access, sharing, monetization,  
19 analysis, retention, creation, generation, derivation, recording, organ-  
20 ization, structuring, storage, disclosure, transmission, analysis,  
21 disposal, licensing, destruction, deletion, modification, or deidenti-  
22 fication of data.

23 19. "Processor" means a person that processes data on behalf of the  
24 controller.

25 20. "Profiling" means any form of automated processing performed on  
26 personal data to evaluate, analyze, or predict personal aspects related  
27 to an identified or identifiable natural person's economic situation,  
28 health, personal preferences, interests, reliability, behavior,  
29 location, or movements. Profiling does not include evaluation, analy-  
30 sis, or prediction based solely upon a natural person's current search  
31 query or current visit to a website or online application, if no  
32 personal data is retained after the completion of the activity for the  
33 purposes identified in this subdivision.

34 21. "Protected health information" has the same meaning as in Title 45  
35 C.F.R., established pursuant to the federal Health Insurance Portability  
36 and Accountability Act of 1996.

37 22. "Sale", "sell", or "sold" means the disclosure, transfer, convey-  
38 ance, sharing, licensing, making available, processing, granting of  
39 permission or authorization to process, or other exchange of personal  
40 data, or providing access to personal data for monetary or other valu-  
41 able consideration by the controller to a third party. "Sale" includes  
42 enabling, facilitating or providing access to personal data for targeted  
43 advertising. "Sale" does not include the following:

44 (a) the disclosure of data to a processor who processes the data on  
45 behalf of the controller and which is contractually prohibited from  
46 using it for any purpose other than as instructed by the controller; or

47 (b) the disclosure or transfer of data as an asset that is part of a  
48 merger, acquisition, bankruptcy, or other transaction in which another  
49 entity assumes control or ownership of all or a majority of the control-  
50 ler's assets.

51 23. "Sensitive data" means personal data that reveals:

52 (a) racial or ethnic origin, religious beliefs, mental or physical  
53 health condition or diagnosis, sex life, sexual orientation, or citizen-  
54 ship or immigration status;

55 (b) genetic or biometric information for the purpose of uniquely iden-  
56 tifying a natural person; or

1 (c) precise geolocation data.

2 24. "Targeted advertising" means advertising based upon profiling.

3 25. "Third party" means, with respect to a particular interaction or  
4 occurrence, a person, public authority, agency, or body other than the  
5 consumer, the controller, or processor of the controller. A third party  
6 may also be a controller if the third party, alone or jointly with  
7 others, determines the purposes and means of the processing of personal  
8 data.

9 26. "Verified request" means a request by a consumer or their agent to  
10 exercise a right authorized by this article, the authenticity of which  
11 has been ascertained by the controller in accordance with paragraph (c)  
12 of subdivision nine of section eleven hundred two of this article.

13 § 1101. Jurisdictional scope. 1. This article applies to legal persons  
14 that conduct business in New York or produce products or services that  
15 are targeted to residents of New York, and that satisfy one or more of  
16 the following thresholds:

17 (a) have annual gross revenue of twenty-five million dollars or more;

18 (b) controls or processes personal data of one hundred thousand  
19 consumers or more;

20 (c) controls or processes personal data of five hundred thousand  
21 natural persons or more nationwide, and controls or processes personal  
22 data of ten thousand consumers or more; or

23 (d) derives over fifty percent of gross revenue from the sale of  
24 personal data, and controls or processes personal data of twenty-five  
25 thousand consumers or more.

26 2. This article does not apply to:

27 (a) personal data processed by state and local governments, and munic-  
28 ipal corporations, for processes other than sale (filing and processing  
29 fees are not sale);

30 (b) a national securities association registered pursuant to section  
31 15A of the Securities Exchange Act of 1934, as amended, or regulations  
32 adopted thereunder or a registered futures association so designated  
33 pursuant to section 17 of the Commodity Exchange Act, as amended, or any  
34 regulations adopted thereunder;

35 (c) information that meets the following criteria:

36 (i) personal data collected, processed, sold, or disclosed pursuant to  
37 and in compliance with the federal Gramm-Leach-Bliley act (P.L.  
38 106-102), and implementing regulations;

39 (ii) personal data collected, processed, sold, or disclosed pursuant  
40 to the federal Driver's Privacy Protection Act of 1994 (18 U.S.C. Sec.  
41 2721 et seq.), if the collection, processing, sale, or disclosure is in  
42 compliance with that law;

43 (iii) personal data regulated by the federal Family Educational Rights  
44 and Privacy Act, U.S.C. Sec. 1232g and its implementing regulations;

45 (iv) personal data collected, processed, sold, or disclosed pursuant  
46 to the federal Farm Credit Act of 1971 (as amended in 12 U.S.C. Sec.  
47 2001-2279cc) and its implementing regulations (12 C.F.R. Part 600 et  
48 seq.) if the collection, processing, sale, or disclosure is in compli-  
49 ance with that law;

50 (v) personal data regulated by section two-d of the education law;

51 (vi) data maintained as employment records, for purposes other than  
52 sale;

53 (vii) protected health information that is lawfully collected by a  
54 covered entity or business associate and is governed by the privacy,  
55 security, and breach notification rules issued by the United States  
56 Department of Health and Human Services, Parts 160 and 164 of Title 45

1 of the Code of Federal Regulations, established pursuant to the Health  
2 Insurance Portability and Accountability Act of 1996 (Public Law  
3 104-191) ("HIPAA") and the Health Information Technology for Economic  
4 and Clinical Health Act (Public Law 111-5);

5 (viii) patient identifying information for purposes of 42 C.F.R. Part  
6 2, established pursuant to 42 U.S.C. Sec. 290dd-2, as long as such data  
7 is not sold in violation of HIPAA or any state or federal law;

8 (ix) information and documents lawfully created for purposes of the  
9 federal Health Care Quality Improvement Act of 1986, and related regu-  
10 lations;

11 (x) patient safety work product created for purposes of 42 C.F.R. Part  
12 3, established pursuant to 42 U.S.C. Sec. 299b-21 through 299b-26;

13 (xi) information that is treated in the same manner as information  
14 exempt under subparagraph (vii) of this paragraph that is maintained by  
15 a covered entity or business associate as defined by HIPAA or a program  
16 or a qualified service organization as defined by 42 U.S.C. § 290dd-2,  
17 as long as such data is not sold in violation of HIPAA or any state or  
18 federal law;

19 (xii) deidentified health information that meets all of the following  
20 conditions:

21 (A) it is deidentified in accordance with the requirements for deiden-  
22 tification set forth in Section 164.514 of Part 164 of Title 45 of the  
23 Code of Federal Regulations;

24 (B) it is derived from protected health information, individually  
25 identifiable health information, or identifiable private information  
26 compliant with the Federal Policy for the Protection of Human Subjects,  
27 also known as the Common Rule; and

28 (C) a covered entity or business associate does not attempt to reiden-  
29 tify the information nor do they actually reidentify the information  
30 except as otherwise allowed under state or federal law;

31 (xiii) information maintained by a covered entity or business associ-  
32 ate governed by the privacy, security, and breach notification rules  
33 issued by the United States Department of Health and Human Services,  
34 Parts 160 and 164 of Title 45 of the Code of Federal Regulations, estab-  
35 lished pursuant to the Health Insurance Portability and Accountability  
36 Act of 1996 (Public Law 104-191), to the extent the covered entity or  
37 business associate maintains the information in the same manner as  
38 protected health information as described in subparagraph (vii) of this  
39 paragraph;

40 (xiv) data collected as part of human subjects research, including a  
41 clinical trial, conducted in accordance with the Federal Policy for the  
42 Protection of Human Subjects, also known as the Common Rule, pursuant to  
43 good clinical practice guidelines issued by the International Council  
44 for Harmonisation or pursuant to human subject protection requirements  
45 of the United States Food and Drug Administration; or

46 (xv) personal data processed only for one or more of the following  
47 purposes:

48 (A) product registration and tracking consistent with applicable  
49 United States Food and Drug Administration regulations and guidance;

50 (B) public health activities and purposes as described in Section  
51 164.512 of Title 45 of the Code of Federal Regulations; and/or

52 (C) activities related to quality, safety, or effectiveness regulated  
53 by the United States Food and Drug Administration;

54 (d) (i) an activity involving the collection, maintenance, disclosure,  
55 sale, communication, or use of any personal data bearing on a consumer's  
56 credit worthiness, credit standing, credit capacity, character, general

1 reputation, personal characteristics, or mode of living by a consumer  
2 reporting agency, as defined in Title 15 U.S.C. Sec. 1681a(f), by a  
3 furnisher of information, as set forth in Title 15 U.S.C. Sec. 1681s-2,  
4 who provides information for use in a consumer report, as defined in  
5 Title 15 U.S.C. Sec. 1861a(d), and by a user of a consumer report, as  
6 set forth in Title 15 U.S.C. Sec. 1681b.; and

7 (ii) this paragraph shall apply only to the extent that such activity  
8 involving the collection, maintenance, disclosure, sale, communication,  
9 or use of such data by that agency, furnisher, or user is subject to  
10 regulation under the Fair Credit Reporting Act, Title 15 U.S.C. Sec.  
11 1681 et seq., and the data is not collected, maintained, used, communi-  
12 cated, disclosed, or sold except as authorized by the Fair Credit  
13 Reporting Act.

14 § 1102. Consumer rights. 1. Right to notice. (a) Notice. Each control-  
15 ler that processes a consumer's personal data must make publicly and  
16 persistently available, in a conspicuous and readily accessible manner,  
17 a notice containing the following:

18 (i) a description of the consumer's rights under subdivisions two  
19 through seven of this section and how a consumer may exercise those  
20 rights, including how to withdraw consent;

21 (ii) the categories of personal data processed by the controller and  
22 by any processor who processes personal data on behalf of the control-  
23 ler;

24 (iii) the sources from which personal data is collected;

25 (iv) the purposes for processing personal data;

26 (v) the categories of third parties to whom the controller disclosed,  
27 shared, transferred or sold personal data and, for each category of  
28 third party, (A) the categories of personal data being shared,  
29 disclosed, transferred, or sold to the third party, (B) the purposes for  
30 which personal data is being shared, disclosed, transferred, or sold to  
31 the third party, (C) any applicable retention periods for each category  
32 of personal data processed by the third parties or processed on their  
33 behalf, or if that is not possible, the criteria used to determine the  
34 period, and (D) whether the third parties may use the personal data for  
35 targeted advertising;

36 (vi) the controller's retention period for each category of personal  
37 data that they process or is processed on their behalf, or if that is  
38 not possible, the criteria used to determine that period; and

39 (vii) for controllers engaging in targeted advertising, average  
40 expected revenue per user (ARPU) or a similar metric for the most recent  
41 fiscal year for the region that covers New York.

42 (b) Notice requirements.

43 (i) The notice must be written in easy-to-understand language at an  
44 eighth grade reading level or below.

45 (ii) The categories of personal data processed and purposes for which  
46 each category of personal data is processed must be described at a level  
47 specific enough to enable a consumer to exercise meaningful control over  
48 their personal data but not so specific as to render the notice unhelp-  
49 ful to a reasonable consumer.

50 (iii) The notice must be dated with its effective date and updated at  
51 least annually. When the information required to be disclosed to a  
52 consumer pursuant to paragraph (a) of this subdivision has not changed  
53 since the immediately previous notice (whether initial, annual, or  
54 revised) provided to the consumer, a controller may issue a statement  
55 that no changes have been made.

1 (iv) The notice, as well as each version of the notice in effect in  
2 the preceding six years, must be easily accessible to consumers and  
3 capable of being viewed by consumers at any time.

4 2. Right to opt out. (a) A controller must allow consumers the right  
5 to opt out, at any time, of processing personal data concerning the  
6 consumer for the purposes of:

7 (i) targeted advertising;

8 (ii) the sale of personal data; and

9 (iii) profiling in furtherance of decisions that produce legal or  
10 similarly significant effects concerning a consumer.

11 (b) A controller must provide clear and conspicuous means for the  
12 consumer or their agent to opt out of processing and clearly present as  
13 the most conspicuous choice an option to simultaneously opt out of all  
14 processing purposes set forth in paragraph (a) of this subdivision.

15 (c) A controller must not process personal data for any purpose from  
16 which the consumer has opted out.

17 (d) A controller must not request that a consumer who has opted out of  
18 certain purposes of processing personal data opt back in, unless those  
19 purposes subsequently become necessary to provide the services or goods  
20 requested by a consumer. Targeted advertising and sale of personal data  
21 shall not be considered processing purposes that are necessary to  
22 provide service or goods requested by a consumer.

23 (e) Controllers must treat user-enabled privacy controls in a browser,  
24 browser plug-in, smartphone application, operating system, device  
25 setting, or other mechanism that communicates or signals the consumer's  
26 choice not to opt out of the processing of personal data in furtherance  
27 of targeted advertising, the sale of their personal data, or profiling  
28 in furtherance of decisions that produce legal or similarly significant  
29 effects concerning the consumer as an opt out under this article. To the  
30 extent that the privacy control conflicts with a consumer's consent, the  
31 privacy control settings govern, unless the consumer provides freely  
32 given, specific, informed, and unambiguous consent to override the  
33 privacy control.

34 3. Sensitive data. (a) A controller must obtain freely given, specif-  
35 ic, informed, and unambiguous opt-in consent from a consumer to:

36 (i) process the consumer's sensitive data related to that consumer for  
37 any purpose other than those in subdivision two of section eleven  
38 hundred five of this article; or

39 (ii) make any changes to the existing processing or processing  
40 purpose, including those regarding the method and scope of collection,  
41 of the consumer's sensitive data that may be less protective of the  
42 consumer's sensitive data than the processing to which the consumer has  
43 previously given their freely given, specific, informed, and unambiguous  
44 opt-in consent.

45 (b) Any request for consent to process sensitive data must be provided  
46 to the consumer, prior to processing their sensitive data, in a stand-  
47 alone disclosure that is separate and apart from any contract or privacy  
48 policy. The request for consent must:

49 (i) include a clear and conspicuous description of each category of  
50 data and processing purpose for which consent is sought;

51 (ii) clearly identify and distinguish between categories of data and  
52 processing purposes that are necessary to provide the services or goods  
53 requested by the consumer and categories of data and processing purposes  
54 that are not necessary to provide the services or goods requested by the  
55 consumer;



1 (iii) enable a reasonable consumer to easily identify the categories  
2 of data and processing purposes for which consent is sought;

3 (iv) clearly present as the most conspicuous choice an option to  
4 provide only the consent necessary to provide the services or goods  
5 requested by the consumer;

6 (v) clearly present an option to deny consent; and

7 (vi) where the request seeks consent to sharing, disclosure, transfer,  
8 or sale of sensitive data to third parties, identify the categories of  
9 such third parties, the categories of data sold or shared with them, the  
10 processing purposes, the retention period, or if that is not possible,  
11 the criteria used to determine the period, and state if such sharing,  
12 disclosure, transfer, or sale enables or involves targeted advertising.  
13 The details of the categories of such third parties, and the categories  
14 of data, processing purposes, and the retention period, may be set forth  
15 in a different disclosure, provided that the request for consent  
16 contains a conspicuous and directly accessible link to that disclosure.

17 (c) Targeted advertising and sale of personal data shall not be  
18 considered processing purposes that are necessary to provide services or  
19 goods requested by a consumer.

20 (d) Once a consumer has provided freely given, specific, informed, and  
21 unambiguous opt-in consent to process their sensitive data for a proc-  
22 essing purpose, a controller may rely on such consent until it is with-  
23 drawn.

24 (e) A controller must provide a mechanism for a consumer to withdraw  
25 previously given consent at any time. Such mechanism shall make it as  
26 easy for a consumer to withdraw their consent as it is for such consumer  
27 to provide consent.

28 (f) A controller must not infer that a consumer has provided freely  
29 given, specific, informed, and unambiguous opt-in consent from the  
30 consumer's inaction or the consumer's continued use of a service or  
31 product provided by the controller.

32 (g) Controllers must not request consent from a consumer who has  
33 previously withheld or denied consent to process sensitive data, unless  
34 consent is necessary to provide the services or goods requested by the  
35 consumer.

36 (h) Controllers must treat user-enabled privacy controllers in a brow-  
37 ser, browser plug-in, smartphone application, operating system, device  
38 setting, or other mechanism that communicates or signals the consumer's  
39 choices to opt out of the processing of personal data in furtherance of  
40 targeted advertising, the sale of their personal data, or profiling in  
41 furtherance of decisions that produce legal or similarly significant  
42 effects concerning the consumer as a denial of consent to process sensi-  
43 tive data under this article. To the extent that the privacy control  
44 conflicts with a consumer's consent, the privacy control settings  
45 govern, unless the consumer provides freely given, specific, informed,  
46 and unambiguous opt-in consent to override the privacy control.

47 (i) A controller must not discriminate against a consumer for with-  
48 holding or denying consent, including, but not limited to, by:

49 (i) denying services or goods to the consumer, unless the consumer  
50 does not consent to processing necessary to provide the services or  
51 goods requested by the consumer;

52 (ii) charging different prices for goods or services, including  
53 through the use of discounts or other benefits, imposing penalties, or  
54 providing a different level or quality of services or goods to the  
55 consumer; or

1 (iii) suggesting that the consumer will receive a different price or  
2 rate for goods or services or a different level or quality of services  
3 or goods.

4 (j) A controller may, with the consumer's freely given, specific,  
5 informed, and unambiguous opt-in consent pursuant to this section,  
6 operate a program in which information, products, or services sold to  
7 the consumer are discounted based solely on such consumer's prior  
8 purchases from the controller, provided that any sensitive data used to  
9 operate such program is processed solely for the purpose of operating  
10 such program.

11 (k) In the event of a merger, acquisition, bankruptcy, or other trans-  
12 action in which another entity assumes control or ownership of all or  
13 majority of the controller's assets, any consent provided to the  
14 controller by a consumer prior to such transaction shall be deemed with-  
15 drawn.

16 4. Right to access. Upon the verified request of a consumer, a  
17 controller shall:

18 (a) confirm whether or not the controller is processing or has proc-  
19 essed personal data of that consumer, and provide access to a copy of  
20 any such personal data in a manner understandable to a reasonable  
21 consumer when requested; and

22 (b) provide the category of each processor or third party to whom the  
23 controller disclosed, transferred, or sold the consumer's personal data  
24 and, for each category of processor or third party, (i) the categories  
25 of the consumer's personal data disclosed, transferred, or sold to each  
26 processor or third party and (ii) the purposes for which each category  
27 of the consumer's personal data was disclosed, transferred, or sold to  
28 each processor or third party.

29 5. Right to portable data. Upon a verified request, and to the extent  
30 technically feasible, the controller must: (a) provide to the consumer a  
31 copy of all of, or a portion of, as designated in a verified request,  
32 the consumer's personal data in a structured, commonly used and  
33 machine-readable format and (b) transmit the data to another person of  
34 the consumer's or their agent's designation without hindrance.

35 6. Right to correct. (a) Upon the verified request of a consumer or  
36 their agent, a controller must conduct a reasonable investigation to  
37 determine whether personal data, the accuracy of which is disputed by  
38 the consumer, is inaccurate, with such investigation to be concluded  
39 within the time period set forth in paragraph (a) of subdivision nine of  
40 this section.

41 (b) Notwithstanding paragraph (a) of this subdivision, a controller  
42 may terminate an investigation initiated pursuant to such paragraph if  
43 the controller reasonably and in good faith determines that the dispute  
44 by the consumer is wholly without merit, including by reason of a fail-  
45 ure by a consumer to provide sufficient information to investigate the  
46 disputed personal data. Upon making any determination in accordance with  
47 this paragraph that a dispute is wholly without merit, a controller  
48 must, within the time period set forth in paragraph (a) of subdivision  
49 nine of this section, provide the affected consumer a statement in writ-  
50 ing that includes, at a minimum, the specific reasons for the determi-  
51 nation, and identification of any information required to investigate  
52 the disputed personal data, which may consist of a standardized form  
53 describing the general nature of such information.

54 (c) If, after any investigation under paragraph (a) of this subdivi-  
55 sion of any personal data disputed by a consumer, an item of the

1 personal data is found to be inaccurate or incomplete, or cannot be  
2 verified, the controller must:

3 (i) correct the inaccurate or incomplete personal data of the consum-  
4 er; and

5 (ii) unless it proves impossible or involves disproportionate effort,  
6 communicate such request to each processor or third party to whom the  
7 controller disclosed, transferred, or sold the personal data within one  
8 year preceding the consumer's request, and to require those processors  
9 or third parties to do the same for any further processors or third  
10 parties they disclosed, transferred, or sold the personal data to.

11 (d) If the investigation does not resolve the dispute, the consumer  
12 may file with the controller a brief statement setting forth the nature  
13 of the dispute. Whenever a statement of a dispute is filed, unless there  
14 exists reasonable grounds to believe that it is wholly without merit,  
15 the controller must note that it is disputed by the consumer and include  
16 either the consumer's statement or a clear and accurate codification or  
17 summary thereof with the disputed personal data whenever it is  
18 disclosed, transferred, or sold to any processor or third party.

19 7. Right to delete. (a) Upon the verified request of a consumer, a  
20 controller must:

21 (i) within forty-five days after receiving the verified request,  
22 delete any or all of the consumer's personal data, as directed by the  
23 consumer or their agent, that the controller possesses or controls; and

24 (ii) unless it proves impossible or involves disproportionate effort  
25 that is documented in writing by the controller, communicate such  
26 request to each processor or third party to whom the controller  
27 disclosed, transferred or sold the personal data within one year preced-  
28 ing the consumer's request and to require those processors or third  
29 parties to do the same for any further processors or third parties they  
30 disclosed, transferred, or sold the personal data to.

31 (b) For personal data that is not possessed by the controller but by a  
32 processor of the controller, the controller may choose to (i) communi-  
33 cate the consumer's request for deletion to the processor, or (ii)  
34 request that the processor return to the controller the personal data  
35 that is the subject of the consumer's request and delete such personal  
36 data upon receipt of the request.

37 (c) A consumer's deletion of their online account must be treated as a  
38 request to the controller to delete all of that consumer's personal  
39 data.

40 (d) A controller must maintain reasonable procedures designed to  
41 prevent the reappearance in its systems, and in any data it discloses,  
42 transfers, or sells to any processor or third party, the personal data  
43 that is deleted pursuant to this subdivision.

44 (e) A controller is not required to comply with a consumer's request  
45 to delete personal data if:

46 (i) complying with the request would prevent the controller from  
47 performing accounting functions, processing refunds, effectuating a  
48 product recall pursuant to federal or state law, or fulfilling warranty  
49 claims, provided that the personal data that is the subject of the  
50 request is not processed for any purpose other than such specific activ-  
51 ities; or

52 (ii) it is necessary for the controller to maintain the consumer's  
53 personal data to engage in public or peer-reviewed scientific, histor-  
54 ical, or statistical research in the public interest that adheres to all  
55 other applicable ethics and privacy laws, when the controller's deletion  
56 of the information is likely to render impossible or seriously impair

1 the achievement of such research, provided that the consumer has given  
2 informed consent and the personal data is not processed for any purpose  
3 other than such research.

4 8. Automated decision-making. (a) Whenever a controller makes an auto-  
5 mated decision involving solely automated processing that materially  
6 contributes to a denial of financial or lending services, housing,  
7 public accommodation, insurance, health care services, or access to  
8 basic necessities, such as food and water, or produces legal or similar-  
9 ly significant effects the controller must:

10 (i) disclose in a clear, conspicuous, and consumer-friendly manner  
11 that the decision was made by a solely automated process;

12 (ii) provide an avenue for the affected consumer to appeal the deci-  
13 sion, which must at minimum allow the affected consumer to (A) formally  
14 contest the decision, (B) provide information to support their position,  
15 and (C) obtain meaningful human review of the decision; and

16 (iii) explain the process to appeal the decision.

17 (b) A controller must respond to a consumer's appeal within forty-five  
18 days of receipt of the appeal. That period may be extended once by  
19 forty-five additional days where reasonably necessary, taking into  
20 account the complexity and number of appeals. The controller must inform  
21 the consumer of any such extension within forty-five days of receipt of  
22 the appeal, together with the reasons for the delay.

23 (c) (i) A controller or processor engaged in automated decision-making  
24 affecting financial or lending services, housing, public accommodation,  
25 insurance, education enrollment, employment, health care services, or  
26 access to basic necessities, such as food and water, or producing legal  
27 or other similarly significant effects or engaged in assisting others in  
28 automated decision-making in those fields, must annually conduct an  
29 impact assessment of such automated decision-making that:

30 (A) describes and evaluates the objectives and development of the  
31 automated decision-making processes including the design and training  
32 data used to develop the automated decision-making process, how the  
33 automated decision-making process was tested for accuracy, fairness,  
34 bias and discrimination; and

35 (B) assesses whether the automated decision-making system produces  
36 discriminatory results on the basis of a consumer's or class of consum-  
37 ers' actual or perceived race, color, ethnicity, religion, national  
38 origin, sex, gender, gender identity, sexual orientation, familial  
39 status, biometric information, lawful source of income, or disability  
40 and outlines mitigations for any identified performance differences  
41 across relevant groups impacted by the system. Such evaluations should  
42 be conducted on a system prior to deployment, including in the environ-  
43 ment in which a system is going to be used, and throughout the lifecycle  
44 of a system.

45 (ii) A controller or processor must utilize an external, independent  
46 auditor or researcher to conduct such assessments.

47 (iii) A controller or processor must make publicly available in a  
48 manner accessible online all impact assessments prepared pursuant to  
49 this section, retain all such impact assessments for at least six years,  
50 and make any such retained impact assessments available to any state,  
51 federal, or local government authority upon request.

52 (iv) For purposes of this paragraph, the limitations to jurisdictional  
53 scope set forth in paragraphs (b) and (c) of subdivision two of section  
54 eleven hundred one of this article shall not apply.

55 9. Responding to requests. (a) A controller must take action under  
56 subdivisions four through seven of this section and inform the consumer

1 of any actions taken without undue delay and in any event within forty-  
2 five days of receipt of the request. That period may be extended once by  
3 forty-five additional days where reasonably necessary, taking into  
4 account the complexity and number of the requests. The controller must  
5 inform the consumer of any such extension within forty-five days of  
6 receipt of the request, together with the reasons for the delay. When a  
7 controller denies any such request, it must within this period disclose  
8 to the consumer a statement in writing of the specific reasons for the  
9 denial.

10 (b) A controller shall permit the exercise of rights and carry out its  
11 obligations set forth in subdivisions four through seven of this section  
12 free of charge, at least twice annually to the consumer. Where requests  
13 from a consumer are manifestly unfounded or excessive, in particular  
14 because of their repetitive character, the controller may either (i)  
15 charge a reasonable fee to cover the administrative costs of complying  
16 with the request or (ii) refuse to act on the request and notify the  
17 consumer of the reason for refusing the request. The controller bears  
18 the burden of demonstrating the manifestly unfounded or excessive char-  
19 acter of the request.

20 (c) (i) A controller shall promptly attempt, using commercially  
21 reasonable efforts, to verify that all requests to exercise any rights  
22 set forth in any section of this article requiring a verified request  
23 were made by the consumer who is the subject of the data, or by a person  
24 lawfully exercising the right on behalf of the consumer who is the  
25 subject of the data. Commercially reasonable efforts shall be determined  
26 based on the totality of the circumstances, including the nature of the  
27 data implicated by the request.

28 (ii) A controller may require the consumer to provide additional  
29 information only if the request cannot reasonably be verified without  
30 the provision of such additional information. A controller must not  
31 transfer or process any such additional information provided pursuant to  
32 this section for any other purpose and must delete any such additional  
33 information without undue delay and in any event within forty-five days  
34 after the controller has notified the consumer that it has taken action  
35 on a request under subdivisions four through seven of this section as  
36 described in paragraph (a) of this subdivision.

37 (iii) If a controller discloses this additional information to any  
38 processor or third party for the purpose of verifying a consumer  
39 request, it must notify the receiving processor or third party at the  
40 time of such disclosure, or as close in time to the disclosure as is  
41 reasonably practicable, that such information was provided by the  
42 consumer for the sole purpose of verification and cannot be processed  
43 for any purpose other than verification.

44 10. Implementation of rights. Controllers must provide easily accessi-  
45 ble and convenient means for consumers to exercise their rights under  
46 this article.

47 11. Non-waiver of rights. Any provision of a contract or agreement of  
48 any kind that purports to waive or limit in any way a consumer's rights  
49 under this article is contrary to public policy and is void and unen-  
50 forceable.

51 § 1103. Controller, processor, and third party responsibilities. 1.  
52 Controller responsibilities. (a) Data protection assessment. A control-  
53 ler shall regularly conduct and document a data protection assessment  
54 for processing activities that present a heightened risk of harm to the  
55 consumer. Such assessment must identify and weigh the benefits that may  
56 flow, directly and indirectly, from the processing to the controller,

1 the consumer, other stakeholders, and the public against the potential  
2 risks to the rights of the consumer, or class of consumers, associated  
3 with the processing, as mitigated by safeguards that the controller can  
4 employ to reduce the risks. The controller shall factor into this  
5 assessment the use of deidentified data and the reasonable expectations  
6 of consumers, as well as the context of the processing and the relation-  
7 ship between the controller and the consumer whose personal data will be  
8 processed, with the goal of restricting or prohibiting such processing  
9 if the risks of harm to the consumer outweigh the benefits resulting  
10 from the processing to the consumer. Processing that presents a height-  
11 ened risk of harm to the consumer includes the following:

12 (i) processing that may benefit the controller to the detriment of the  
13 consumer;

14 (ii) processing that would be unexpected and highly offensive to a  
15 reasonable consumer;

16 (iii) processing personal data for purposes of targeted advertising;

17 (iv) sale of personal data;

18 (v) processing sensitive data; and

19 (vi) processing of personal data for purposes of profiling, where such  
20 profiling presents a reasonably foreseeable risk of:

21 (A) unfair or deceptive treatment, or unlawful disparate impact on,  
22 consumers or a class of consumers;

23 (B) financial, physical, psychological or reputational injury to  
24 consumers, or a class of consumers;

25 (C) a physical or otherwise intrusion upon the solitude or seclusion,  
26 or the private affairs or concerns, of consumers, where such intrusion  
27 would be offensive to a reasonable person; or

28 (D) other substantial injury to consumers.

29 (b) Duty of loyalty. (i) A controller must notify the consumer, or  
30 class of consumers, of the interest that may be harmed in advance of  
31 requesting consent and as close in time to the processing as practicable  
32 where it is reasonably foreseeable to the controller that a process  
33 presents a heightened risk of harm to the consumer or class of consum-  
34 ers.

35 (ii) Controllers must not engage in unfair, deceptive, or abusive acts  
36 or practices with respect to obtaining consumer consent, the processing  
37 of personal data, and a consumer's exercise of any rights under this  
38 article, including without limitation:

39 (A) designing a user interface with the purpose or substantial effect  
40 of deceiving consumers, obscuring consumers' rights under this article,  
41 or subverting or impairing user autonomy, decision-making, or choice; or

42 (B) obtaining consent in a manner designed to overpower a consumer's  
43 resistance; for example, by making excessive requests for consent.

44 (c) Duty of care. (i) (A) Controllers must, on at least an annual  
45 basis, conduct and document risk assessments of all current processing  
46 of personal data.

47 (B) Risk assessments must assess at a minimum:

48 (I) the nature, sensitivity and context of the personal data that the  
49 controller processes;

50 (II) the nature, purpose, and value of the processes;

51 (III) any risks or harms to consumers actually or potentially arising  
52 out of the processes, including physical, financial, psychological, or  
53 reputational harms;

54 (IV) the adequacy and effect of safeguards implemented by the control-  
55 lers;

1 (V) the sufficiency of the controller's notices to consumers at  
2 describing and obtaining consent concerning the processes; and

3 (VI) the adequacy of the safeguards and monitoring practices of  
4 processors and third parties to whom the controller has provided  
5 personal data.

6 (C) The controller must retain risk assessments for at least six years  
7 and make risk assessments available to the attorney general upon  
8 request.

9 (ii) Controllers must develop, implement, and maintain reasonable  
10 safeguards to protect the security, confidentiality and integrity of the  
11 personal data of consumers including adopting reasonable administrative,  
12 technical and physical safeguards appropriate to the volume and nature  
13 of the personal data at issue.

14 (iii) (A) A controller shall limit the use and retention of a consum-  
15 er's personal data to what is (I) necessary to provide the services or  
16 goods requested by the consumer, (II) necessary for the internal busi-  
17 ness operations of the controller and consistent with the disclosures  
18 made to the consumer pursuant to section eleven hundred two of this  
19 article, or (III) necessary to comply with the legal obligations of the  
20 controller.

21 (B) At least annually, a controller shall review its retention prac-  
22 tices for the purpose of ensuring that it is maintaining the minimum  
23 amount of personal data as is necessary for the operation of its busi-  
24 ness. A controller must securely dispose of all personal data that is no  
25 longer (I) necessary to provide the services or goods requested by the  
26 consumer, (II) necessary for the internal business operations of the  
27 controller and consistent with the disclosures made to the consumer  
28 pursuant to section eleven hundred two of this article, or (III) neces-  
29 sary to comply with the legal obligations of the controller.

30 (iv) Controllers shall be under a continuing obligation to engage in  
31 reasonable measures to review their activities for circumstances that  
32 may have altered their ability to identify a specific natural person and  
33 to update their classifications of data as identified or identifiable  
34 accordingly.

35 (d) Non-discrimination. (i) A controller must not discriminate against  
36 a consumer for exercising rights under this article, including but not  
37 limited to, by:

38 (A) denying services or goods to consumers;

39 (B) charging different prices for services or goods, including through  
40 the use of discounts or other benefits; imposing penalties; or providing  
41 a different level or quality of services or goods to the consumer; or

42 (C) suggesting that the consumer will receive a different price or  
43 rate for services or goods or a different level or quality of services  
44 or goods.

45 (ii) This paragraph does not apply to a controller's conduct with  
46 respect to opt-in consent, in which case paragraph (j) of subdivision  
47 three of section eleven hundred two of this article governs.

48 (e) Agreements with processors. (i) Before making any disclosure,  
49 transfer, or sale of personal data to any processor, the controller must  
50 enter into a written, signed contract with that processor. Such contract  
51 must be binding and clearly set forth instructions for processing data,  
52 the nature and purpose of processing, the type of data subject to proc-  
53 essing, the duration of processing, and the rights and obligations of  
54 both parties. The contract must also include requirements that the  
55 processor must:

1 (A) ensure that each person processing personal data is subject to a  
2 duty of confidentiality with respect to the data;

3 (B) protect the data in a manner consistent with the requirements of  
4 this article and at least equal to the security requirements of the  
5 controller set forth in their publicly available policies, notices, or  
6 similar statements;

7 (C) process the data only when and to the extent necessary to comply  
8 with its legal obligations to the controller unless otherwise explicitly  
9 authorized by the controller;

10 (D) not combine the personal data which the processor receives from or  
11 on behalf of the controller with personal data which the processor  
12 receives from or on behalf of another person or collects from its own  
13 interaction with consumers;

14 (E) comply with any exercises of a consumer's rights under section  
15 eleven hundred two of this article upon the request of the controller,  
16 subject to the limitations set forth in section eleven hundred five of  
17 this article;

18 (F) at the controller's direction, delete or return all personal data  
19 to the controller as requested at the end of the provision of services,  
20 unless retention of the personal data is required by law;

21 (G) upon the reasonable request of the controller, make available to  
22 the controller all data in its possession necessary to demonstrate the  
23 processor's compliance with the obligations in this article;

24 (H) allow, and cooperate with, reasonable assessments by the control-  
25 ler or the controller's designated assessor; alternatively, the process-  
26 or may arrange for a qualified and independent assessor to conduct an  
27 assessment of the processor's policies and technical and organizational  
28 measures in support of the obligations under this article using an  
29 appropriate and accepted control standard or framework and assessment  
30 procedure for such assessments. The processor shall provide a report of  
31 such assessment to the controller upon request;

32 (I) a reasonable time in advance before disclosing or transferring the  
33 data to any further processors, notify the controller of such a proposed  
34 disclosure or transfer and provide the controller an opportunity to  
35 approve or reject the proposal; and

36 (J) engage any further processor pursuant to a written, signed  
37 contract that includes the contractual requirements provided in this  
38 paragraph, containing at minimum the same obligations that the processor  
39 has entered into with regard to the data.

40 (ii) A controller must not agree to indemnify, defend, or hold a  
41 processor harmless, or agree to a provision that has the effect of  
42 indemnifying, defending, or holding the processor harmless, from claims  
43 or liability arising from the processor's breach of the contract  
44 required by clause (A) of subparagraph (i) of this paragraph or a  
45 violation of this article. Any provision of an agreement that violates  
46 this subparagraph is contrary to public policy and is void and unen-  
47 forceable.

48 (iii) Nothing in this paragraph relieves a controller or a processor  
49 from the liabilities imposed on it by virtue of its role in the process-  
50 ing relationship as defined by this article.

51 (iv) Determining whether a person is acting as a controller or proces-  
52 sor with respect to a specific processing of data is a fact-based deter-  
53 mination that depends upon the context in which personal data is to be  
54 processed. A processor that continues to adhere to a controller's  
55 instructions with respect to a specific processing of personal data  
56 remains a processor.



1 (f) Third parties. (i) A controller must not share, disclose, trans-  
2 fer, or sell personal data, or facilitate or enable the processing,  
3 disclosure, transfer, or sale to a third party of personal data for  
4 which a consumer has exercised their opt-out rights pursuant to subdivi-  
5 sion two of section eleven hundred two of this article, or for which  
6 consent of the consumer pursuant to subdivision three of section eleven  
7 hundred two of this article, has not been obtained or is not currently  
8 in effect. Any request for consent to share, disclose, transfer, or sell  
9 personal data, or to facilitate or enable the processing, disclosure,  
10 transfer, or sale of personal data to a third party of personal data to  
11 a third party must clearly include the category of the third party and  
12 the processing purposes for which the third party may use the personal  
13 data.

14 (ii) A controller must not share, disclose, transfer, or sell personal  
15 data, or facilitate or enable the processing, disclosure, transfer, or  
16 sale to a third party of personal data if it can reasonably expect the  
17 personal data of a consumer to be used for purposes for which a consumer  
18 has exercised their opt-out rights pursuant to subdivision two of  
19 section eleven hundred two of this article, or for which the consumer  
20 has not consented to pursuant to subdivision three of section eleven  
21 hundred two of this article, or if it can reasonably expect that any  
22 rights of the consumer provided in this article would be compromised as  
23 a result of such transaction.

24 (iii) Before making any disclosure, transfer, or sale of personal data  
25 to any third party, the controller must enter into a written, signed  
26 contract. Such contract must be binding and the scope, nature, and  
27 purpose of processing, the type of data subject to processing, the dura-  
28 tion of processing, and the rights and obligations of both parties.  
29 Such contract must include requirements that the third party:

30 (A) Process that data only to the extent permitted by the agreement  
31 entered into with the controller; and

32 (B) Provide a mechanism to comply with any exercises of a consumer's  
33 rights under section eleven hundred two of this article upon the request  
34 of the controller, subject to any limitations thereon as authorized by  
35 this article; and

36 (C) To the extent the disclosure, transfer, or sale of the personal  
37 data causes the third party to become a controller, comply with all  
38 obligations imposed on controllers under this article.

39 2. Processor responsibilities. (a) For any personal data that is  
40 obtained, received, purchased, or otherwise acquired by a processor,  
41 whether directly from a controller or indirectly from another processor,  
42 the processor must comply with the requirements set forth in clauses (A)  
43 through (J) of subparagraph (i) of paragraph (e) of subdivision one of  
44 this section.

45 (b) A processor is not required to comply with a request by the  
46 consumer submitted pursuant to this article by a consumer directly to  
47 the processor to the extent that the processor has processed the consum-  
48 er's personal data solely in its role as a processor for a controller.

49 (c) Processors shall be under a continuing obligation to engage in  
50 reasonable measures to review their activities for circumstances that  
51 may have altered their ability to identify a specific natural person and  
52 to update their classifications of data as identified or identifiable  
53 accordingly.

54 (d) A processor shall not engage in any sale of personal data other  
55 than on behalf of the controller pursuant to any agreement entered into  
56 with the controller.

1 3. Third party responsibilities. (a) For any personal data that is  
2 obtained, received, purchased, or otherwise acquired or accessed by a  
3 third party from a controller or processor, the third party must:

4 (i) Process that data only to the extent permitted by any agreements  
5 entered into with the controller;

6 (ii) Comply with any exercises of a consumer's rights under section  
7 eleven hundred two of this article upon the request of the controller or  
8 processor, subject to any limitations thereon as authorized by this  
9 article; and

10 (iii) To the extent the third party becomes a controller for personal  
11 data, comply with all obligations imposed on controllers under this  
12 article.

13 4. Exceptions. The requirements of this section shall not apply where:

14 (a) The processing is required by law;

15 (b) The processing is made pursuant to a request by a federal, state,  
16 or local government or government entity; or

17 (c) The processing significantly advances protection against criminal  
18 or tortious activity.

19 § 1104. Data brokers. 1. A data broker, as defined under this article,  
20 must:

21 (a) Annually, on or before January thirty-first following a year in  
22 which a person meets the definition of data broker in this article:

23 (i) Register with the attorney general;

24 (ii) Pay a registration fee of one hundred dollars or as otherwise  
25 determined by the attorney general pursuant to the regulatory authority  
26 granted to the attorney general under this article, not to exceed the  
27 reasonable cost of establishing and maintaining the database and infor-  
28 mational website described in this section; and

29 (iii) Provide the following information:

30 (A) the name and primary physical, email, and internet website address  
31 of the data broker;

32 (B) the name and business address of an officer or registered agent of  
33 the data broker authorized to accept legal process on behalf of the data  
34 broker;

35 (C) a statement describing the method for exercising consumers rights  
36 under section eleven hundred two of this article;

37 (D) a statement whether the data broker implements a purchaser creden-  
38 tialing process; and

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

41 2. Notwithstanding any other provision of this article, any controller  
42 that conducts business in the state of New York must:

43 (a) annually, on or before January thirty-first following a year in  
44 which a person meets the definition of controller in this act, provide  
45 to the attorney general a list of all data brokers or persons reasonably  
46 believed to be data brokers to which the controller provided personal  
47 data in the preceding year; and

48 (b) not sell a consumer's personal data to an entity reasonably  
49 believed to be a data broker that is not registered with the attorney  
50 general.

51 3. The attorney general shall establish, manage and maintain a state-  
52 wide registry on its internet website, which shall list all registered  
53 data brokers and make accessible to the public all the information  
54 provided by data brokers pursuant to this section. Printed hard copies  
55 of such registry shall be made available upon request and payment of a  
56 fee to be determined by the attorney general.

1 4. A data broker that fails to register as required by this section or  
2 submits false information in its registration is, in addition to any  
3 other injunction, penalty, or liability that may be imposed under this  
4 article, liable for civil penalties, fees, and costs in an action  
5 brought by the attorney general as follows: (a) a civil penalty of one  
6 thousand dollars for each day the data broker fails to register as  
7 required by this section or fails to correct false information, (b) an  
8 amount equal to the fees that were due during the period it failed to  
9 register, and (c) expenses incurred by the attorney general in the  
10 investigation and prosecution of the action as the court deems appropri-  
11 ate.

12 § 1105. Limitations. 1. This article does not require a controller or  
13 processor to do any of the following solely for purposes of complying  
14 with this article:

15 (a) Reidentify deidentified data;

16 (b) Comply with a verified consumer request to access, correct, or  
17 delete personal data pursuant to this article if all of the following  
18 are true:

19 (i) The controller is not reasonably capable of associating the  
20 request with the personal data;

21 (ii) The controller does not associate the personal data with other  
22 personal data about the same specific consumer as part of its normal  
23 business practice; and

24 (iii) The controller does not sell the personal data to any third  
25 party or otherwise voluntarily disclose or transfer the personal data to  
26 any processor or third party, except as otherwise permitted in this  
27 article; or

28 (c) Maintain personal data in identifiable form, or collect, obtain,  
29 retain, or access any personal data or technology, in order to be capa-  
30 ble of associating a verified consumer request with personal data.

31 2. The obligations imposed on controllers and processors under this  
32 article do not restrict a controller's or processor's ability to do any  
33 of the following, to the extent that the use of the consumer's personal  
34 data is reasonably necessary and proportionate for these purposes:

35 (a) Comply with federal, state, or local laws, rules, or regulations;

36 (b) Comply with a civil, criminal, or regulatory inquiry, investi-  
37 gation, subpoena, or summons by federal, state, local, or other govern-  
38 mental authorities;

39 (c) Cooperate with law enforcement agencies concerning conduct or  
40 activity that the controller or processor reasonably and in good faith  
41 believes may violate federal, state, or local laws, rules, or regu-  
42 lations;

43 (d) Investigate, establish, exercise, prepare for, or defend legal  
44 claims;

45 (e) Process personal data necessary to provide the services or goods  
46 requested by a consumer; perform a contract to which the consumer is a  
47 party; or take steps at the request of the consumer prior to entering  
48 into a contract;

49 (f) Take immediate steps to protect the life or physical safety of the  
50 consumer or of another natural person, and where the processing cannot  
51 be manifestly based on another legal basis;

52 (g) Prevent, detect, protect against, or respond to security inci-  
53 dents, identity theft, fraud, harassment, malicious or deceptive activ-  
54 ities, or any illegal activity; preserve the integrity or security of  
55 systems; or investigate, report, or prosecute those responsible for any  
56 such action;

1 (h) Identify and repair technical errors that impair existing or  
2 intended functionality; or

3 (i) Process business contact information, including a natural person's  
4 name, position name or title, business telephone number, business  
5 address, business electronic mail address, business fax number, or qual-  
6 ifications and any other similar information about the natural person.

7 3. The obligations imposed on controllers or processors under this  
8 article do not apply where compliance by the controller or processor  
9 with this article would violate an evidentiary privilege under New York  
10 law and do not prevent a controller or processor from providing personal  
11 data concerning a consumer to a person covered by an evidentiary privi-  
12 lege under New York law as part of a privileged communication.

13 4. A controller that receives a request pursuant to subdivisions four  
14 through seven of section eleven hundred two of this article, or a  
15 processor or third party to whom a controller communicates such a  
16 request, may decline to fulfill the relevant part of such request if:

17 (a) the controller, processor, or third party is unable to verify the  
18 request using commercially reasonable efforts, as described in paragraph  
19 (c) of subdivision nine of section eleven hundred two of this article;

20 (b) complying with the request would be demonstrably impossible (for  
21 purposes of this paragraph, the receipt of a large number of verified  
22 requests, on its own, is not sufficient to render compliance with a  
23 request demonstrably impossible);

24 (c) complying with the request would impair the privacy of another  
25 individual or the rights of another to exercise free speech; or

26 (d) the personal data was created by a natural person other than the  
27 consumer making the request and is being processed for the purpose of  
28 facilitating interpersonal relationships or public discussion.

29 § 1106. Enforcement and private right of action. 1. Whenever it  
30 appears to the attorney general, either upon complaint or otherwise,  
31 that any person or persons has engaged in or is about to engage in any  
32 of the acts or practices stated to be unlawful under this article, the  
33 attorney general may bring an action or special proceeding in the name  
34 and on behalf of the people of the state of New York to enjoin any  
35 violation of this article, to obtain restitution of any moneys or prop-  
36 erty obtained directly or indirectly by any such violation, to obtain  
37 disgorgement of any profits obtained directly or indirectly by any such  
38 violation, to obtain civil penalties of not more than fifteen thousand  
39 dollars per violation, and to obtain any such other and further relief  
40 as the court may deem proper, including preliminary relief.

41 (a) Any action or special proceeding brought by the attorney general  
42 pursuant to this section must be commenced within six years.

43 (b) Each instance of unlawful processing counts as a separate  
44 violation. Unlawful processing of the personal data of more than one  
45 consumer counts as a separate violation as to each consumer. Each  
46 provision of this article that is violated counts as a separate  
47 violation.

48 (c) In assessing the amount of penalties, the court must consider any  
49 one or more of the relevant circumstances presented by any of the  
50 parties, including, but not limited to, the nature and seriousness of  
51 the misconduct, the number of violations, the persistence of the miscon-  
52 duct, the length of time over which the misconduct occurred, the will-  
53 fulness of the violator's misconduct, and the violator's financial  
54 condition.

55 2. In connection with any proposed action or special proceeding under  
56 this section, the attorney general is authorized to take proof and make

1 a determination of the relevant facts, and to issue subpoenas in accord-  
2 ance with the civil practice law and rules. The attorney general may  
3 also require such other data and information as he or she may deem rele-  
4 vant and may require written responses to questions under oath. Such  
5 power of subpoena and examination shall not abate or terminate by reason  
6 of any action or special proceeding brought by the attorney general  
7 under this article.

8 3. Any person, within or outside the state, who the attorney general  
9 believes may be in possession, custody, or control of any books, papers,  
10 or other things, or may have information, relevant to acts or practices  
11 stated to be unlawful in this article is subject to the service of a  
12 subpoena issued by the attorney general pursuant to this section.  
13 Service may be made in any manner that is authorized for service of a  
14 subpoena or a summons by the state in which service is made.

15 4. (a) Failure to comply with a subpoena issued pursuant to this  
16 section without reasonable cause tolls the applicable statutes of limi-  
17 tations in any action or special proceeding brought by the attorney  
18 general against the noncompliant person that arises out of the attorney  
19 general's investigation.

20 (b) If a person fails to comply with a subpoena issued pursuant to  
21 this section, the attorney general may move in the supreme court to  
22 compel compliance. If the court finds that the subpoena was authorized,  
23 it shall order compliance and may impose a civil penalty of up to five  
24 hundred dollars per day of noncompliance.

25 (c) Such tolling and civil penalty shall be in addition to any other  
26 penalties or remedies provided by law for noncompliance with a subpoena.

27 5. This section shall apply to all acts declared to be unlawful under  
28 this article, whether or not subject to any other law of this state, and  
29 shall not supersede, amend or repeal any other law of this state under  
30 which the attorney general is authorized to take any action or conduct  
31 any inquiry.

32 6. Any consumer who has been injured by a violation of subdivision  
33 two, three, eight or nine of section eleven hundred two of this article  
34 may bring an action in his or her own name to enjoin such unlawful act  
35 or practice and to recover his or her actual damages suffered as a  
36 result of the violation. The court may also award reasonable attorneys'  
37 fees to a prevailing plaintiff. Actions pursuant to this section may be  
38 brought on a class-wide basis.

39 § 1107. Miscellaneous. 1. Preemption: This article does not annul,  
40 alter, or affect the laws, ordinances, regulations, or the equivalent  
41 adopted by any local entity regarding the processing, collection, trans-  
42 fer, disclosure, and sale of consumers' personal data by a controller or  
43 processor subject to this article, except to the extent those laws,  
44 ordinances, regulations, or the equivalent create requirements or obli-  
45 gations that conflict with or reduce the protections afforded to consum-  
46 ers under this article.

47 2. Impact report: The attorney general shall issue a report evaluating  
48 this article, its scope, any complaints from consumers or persons, the  
49 liability and enforcement provisions of this article including, but not  
50 limited to, the effectiveness of its efforts to enforce this article,  
51 and any recommendations for changes to such provisions. The attorney  
52 general shall submit the report to the governor, the temporary president  
53 of the senate, the speaker of the assembly, and the appropriate commit-  
54 tees of the legislature within two years of the effective date of this  
55 section.

1 3. Regulatory authority: (a) The attorney general is hereby authorized  
2 and empowered to adopt, promulgate, amend and rescind suitable rules and  
3 regulations to carry out the provisions of this article, including rules  
4 governing the form and content of any disclosures or communications  
5 required by this article.

6 (b) The attorney general may request data and information from  
7 controllers conducting business in New York state, other New York state  
8 government entities administering notice and consent regimes, consumer  
9 protection and privacy advocates and researchers, internet standards  
10 setting bodies, such as the internet engineering taskforce and the  
11 institute of electrical and electronics engineers, and other relevant  
12 sources, to conduct studies to inform suitable rules and regulations.  
13 The attorney general shall receive, upon request, data from other New  
14 York state governmental entities.

15 4. Exercise of rights: Any consumer right set forth in this article  
16 may be exercised at any time by the consumer who is the subject of the  
17 data or by a parent or guardian authorized by law to take actions of  
18 legal consequence on behalf of the consumer who is the subject of the  
19 data. An agent authorized by a consumer may exercise the consumer rights  
20 set forth in subdivisions four through seven of section eleven hundred  
21 two of this article on the consumers behalf.

22 § 4. This act shall take effect immediately; provided, however, that  
23 sections 1101, 1102, 1103, 1105, 1106 and 1107 of the general business  
24 law, as added by section three of this act, shall take effect two years  
25 after it shall have become a law but the private right of action author-  
26 ized by subdivision 6 of section 1106 of the general business law shall  
27 take effect three years after such section shall have become a law.