Federal & State Privacy Update

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May 11, 2023



Federal Privacy Update

Federal Privacy Update

Congress

- House: <u>The American Data Privacy and Protection Act (ADPPA) (117th)</u>
 - 117th Passed out of the Energy and Commerce (E&C) Committee; no floor consideration
 - Data minimization: prohibitions on collection, processing, and transferring beyond reasonably necessary for specific actions
 - Including targeted advertising
 - Consumer rights: access, correct, delete, and portability; consent to transfer; COPPA protections; opt-out requirements
 - Included almost 20 state law exceptions in preemption language (including BIPA and CCPA enforcement)
 - Private right of action included compensatory damages and attorney fees and litigation costs (right to cure and bad faith demand letters)
 - 118th general privacy hearings; no legislation introduced
- Senate
 - Children's privacy reform: COPPA 2.0 and KOSA

Federal Privacy Update

Agency Action

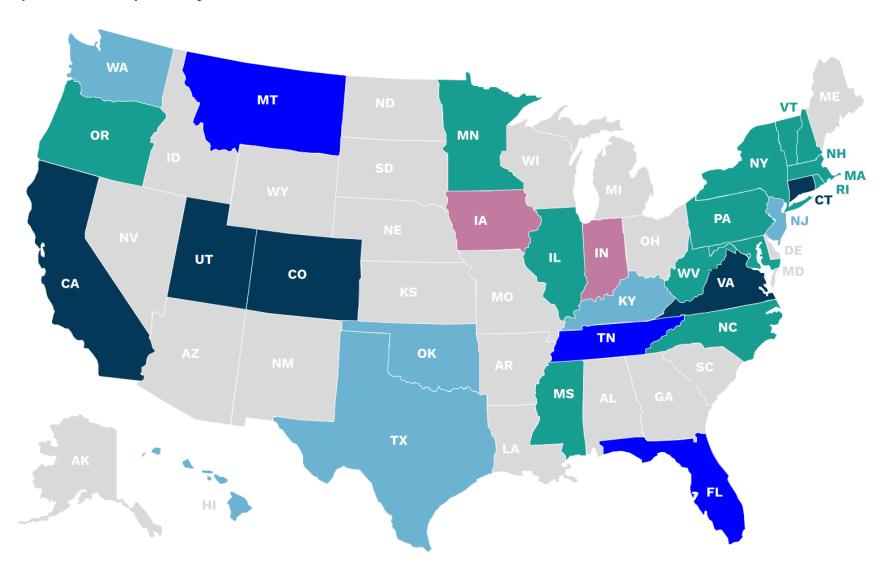
- Federal Trade Commission (FTC)
 - Commercial Surveillance and Data Security ANPRM (8/21/22)
- Health and Human Services (HHS)
 - HHS NPRM (4/12/23) Added protection beyond HIPAA for reproductive healt

State Privacy Update



- States with **Comprehensive Privacy** laws in place
- **Comprehensive Privacy** laws Introduced in 2023
- Passed in one Legislative Chamber
- Passed in Two **Legislative Chambers**
- **Enacted This Year**

Source: MultiState. Data as of 5/08/2023. Legislation "Passed" means bills have passed either the first or second legislative chamber, but the bill has not yet been signed into law.



Rights

Right	Cal.	Colo.	Co nn.	Ind.	Iowa	Mont.	Tenn.	Utah	Virg.
Know	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Access	Yes	Yes	Yes	Partial	Yes	Yes	Yes	Yes	Yes
Data Portability	Yes	Yes	Yes	Partial	Partial	Yes	Yes	Partial	Yes
Deletion	Partial	Yes	Yes	Yes	Partial	Yes	Yes	Partial	Yes
Correct inaccuracies	Yes	Yes	Yes	Partial	No	Yes	Yes	No	Yes
Not be discriminated against	Yes	Yes	Yes	Yes	Partial	Yes	Yes	Partial	Yes
Opt-out of sale	Yes	Yes	Yes	Yes	Partial (pseudonymous data carve out)	Yes	Partial (pseudonymous data carve out)	Partial	Yes
Opt-out of targeted advertising / sharing	Yes	Yes	Yes	Yes	Unclear (right is not listed in consumer rights provision but controllers must provide means to opt out)	Yes	Partial (pseudonymous data carve out)	Yes	Yes

Right	Cal.	Colo.	Co nn.	Ind.	Iowa	Mont.	Tenn.	Utah	Virg.
Opt-out of certain types of profiling	Yes	Yes	Yes	Yes	No	Yes	Partial (pseudonymous data carve out)	No	Yes
Recognize opt out signals	Yes (through rulemaking)	Yes	Yes	No	No	Yes	No	No	No
Revoke consent	N/A	Yes (by regulation)	Yes	No	No	Yes	No	No	No

Other Provisions

Provision	Cal.	Colo.	Conn.	Ind.	Iowa	Mont.	Tenn.	Utah	Virg.
Data Protection Assessments	TBD (rulemaking)	Yes	Yes	Yes	No	Yes	Yes	No	Yes
Definition of sale	Monetary or other valuable consideration	Monetary or other valuable consideration	Monetary or other valuable consideration	Monetary consideration	Monetary consideration	Monetary or other valuable consideration	Valuable monetary consideration	Monetary consideration	Monetary consideration
Opt-out Request Mustbe Verified	No	Yes	No	Yes	Yes	No	Yes	Yes	Yes
Treatment of Sensitive Data	Right to Limit Use	Opt-in	Opt-in	Opt-in	Notice and opt-out	Opt-in	Opt-in	Notice and opt-out	Opt-in
GLBA exemption	Data level	Entity and data level	Entity and data level	Entity and data level	Entity and data level	Entity and data level	Entity and data level	Entity and data level	Entity and data level
Additional Children's Rights	Opt-in for selling or sharing of PI of children ages 13- 15	No	Opt-in for targeted advertising or sale of PI of children ages 13-15	No	No	Opt-in for targeted advertising or sale of PI of children ages 13-15	No	No	No
Data Processing Agreements	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Privacy Policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Implement Reasonable Data Security Measures	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Duty to Avoid Secondary Use	Yes	Yes	Yes	Yes	No	Yes	Yes	No	Yes
Data Minimization	Yes	Yes	Yes	Yes	No	Yes	Yes	No	Yes
Enforcement	Attorney General / Agency (limited PRA for data breaches)	Attorney General + district attorneys	Attorney General	Attorney General	Attorney General	Attorney General	Attorney General	Attorney General	Attorney General
Right to Cure	Expired	60 days (sunsets Jan. 1, 2025)	60 days (sunsets Dec. 31, 2024)	30 days (does not sunset)	90 days (does not sunset)	60 days (sunsets April 1, 2026)	60 days (does not sunset) + NIST safe harbor	30 days (does not sunset)	30 days (does not sunset)
Rulemaking	Yes	Yes	No	No	No	No	No	No	No
Effective Date	Jan. 1, 2023	July 1, 2023	July 1, 2023	Jan. 1, 2026	Jan. 1, 2025	Oct. 1, 2024	July 1, 2025	Dec. 31, 2023	Jan. 1, 2023

My Health, My Data – Washington State

- Signed into law April 19.
- The privacy law differs from other recent state privacy legislation in that it is singularly focused on non-Health Insurance Portability and Accountability Act (HIPAA)-regulated consumer health data.
- Applies to organizations that collect, process, or transfer covered data in any way that touches Washington State.
 - If customer health data is at any point accessed in, travels through, or is stored in Washington State, MHMD is likely to apply.
 - The definition of health data is far broader than the definitions established by other contemporary legal frameworks, and will encompass information that is not typically treated as health data.
- The bill takes effect on March 31, 2024 or June 30, 2024 for small businesses.

My Health, My Data – Washington State

Key Takeaways:

- Contains a broad definition of "Consumer Health Data."
- Provides prescriptive consent requirements.
- Creates expansive consumer rights.
- Provides limitations on geofencing.
- Provides for Attorney General enforcement as well as a private right of action.

Resources and Contact Information

Information on RILA's public policy position on privacy -

https://www.rila.org/retail-works-for-all-of-us/supporting-free-markets-and-fostering-innovation/retail-privacy

Learn more about RILA's Privacy Leaders Council –
 https://www.rila.org/committees/privacy-leaders-council

 Interested in participating in RILA's Privacy Leaders Council or for more information about federal and state privacy issue please contact Justin Goldberger at <u>Justin.Goldberger@rila.org</u> or Austin Gold at <u>Austin.Gold@rila.org</u>.