## HB3009 FULLPCS1 Collin Walke-MJ 2/14/2022 1:39:57 pm

## COMMITTEE AMENDMENT

HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAR	KER:					
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I move to	amend <u>I</u>	HB3009			of the prin	ntod Pill
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AMEND TITLE	TO CONFOR	M TO AMENDMENTS				
			amendment	submitted	by: Collin	Walke

Reading Clerk

## 1 STATE OF OKLAHOMA 2 2nd Session of the 58th Legislature (2022) 3 PROPOSED COMMITTEE SUBSTITUTE 4 FOR HOUSE BILL NO. 3009 By: Walke 5 6 7 PROPOSED COMMITTEE SUBSTITUTE An Act relating to technology; creating a new title; 8 creating the Voice Recognition Privacy Act of 2022; 9 defining terms; requiring online businesses, operators of voice recognition devices, or websites to make posting of certain consumer information to be 10 collected; listing information to be provided to consumer; listing information to be provided to 11 consumer if consumer information is to be sold; exempting certain instances of use of voice 12 recordings by third parties from suit; exempting 1.3 manufacturer liability for applications downloaded by users; exempting instances where affirmative consent 14 has been granted; providing penalties for violations; providing for certain civil action; allowing parties 15 to seek guidance; authorizing the promulgation of rules; providing for noncodification; providing for 16 codification; and providing an effective date. 17 18 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA: 19 SECTION 1. NEW LAW A new section of law not to be 20 codified in the Oklahoma Statutes reads as follows: 21 In publishing the decennial Oklahoma Statutes, and the 22 cumulative supplements after July 1, 2022, West Publishing Company 23 shall include in such decennial statutes and supplements a new Title 24 75A, to be designated "Technology".

NEW LAW A new section of law to be codified 1 SECTION 2. 2 in the Oklahoma Statutes as Section 101 of Title 75A, unless there is created a duplication in numbering, reads as follows: 3 This act shall be known and may be cited as the "Voice 4 5 Recognition Privacy Act of 2022". 6 SECTION 3. NEW LAW A new section of law to be codified 7 in the Oklahoma Statutes as Section 102 of Title 75A, unless there is created a duplication in numbering, reads as follows: 8 9 As used in this act: "Affirmative consent" means that a manufacturer of a 10 11 connected television or smart speaker device has done all of the 12 following: 1.3 clearly and conspicuously disclosed to the user, a. 14 separate from the device terms of use, all of the 15 following to the extent applicable: 16 (1) that the device may be used to process and retain 17 user recordings, 18 that the recordings described in division (1) of (2) 19 this subparagraph may be analyzed or shared with 20 third parties, 2.1 (3) that the device may be used to process and retain 22 transcriptions of spoken words, and 23

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- (4) that the transcriptions described in division (3) of this subparagraph may be analyzed or shared with third parties,
- b. clearly and conspicuously disclosed to the user, separate from the device terms of use, the extent to which the device can operate in the absence of consent for each practice described in the disclosure required by subparagraph a of this paragraph, and
- c. received a freely given, specific, informed, and unambiguous indication of the user's wishes by which the user, including by a statement or by a clear affirmative action, signifies agreement to the processing of personal information relating to the user for each practice described in the disclosure required by subparagraph a of this paragraph. The following shall not satisfy the requirements of this paragraph:
  - (1) user's acceptance of a general or broad terms of use, or similar document, that contains descriptions of personal information processing along with other, unrelated information,
  - (2) user's hovering over, muting, pausing, or closing a given piece of content, and

- (3) user's agreement obtained through the use of dark patterns;
- 2. "Business" means a sole proprietorship, partnership, limited liability company, corporation, association, or other legal entity that is organized or operated for the profit or financial benefit of its shareholders or other owners that collects consumers' personal information, or on the behalf of whom such information is collected, and that alone, or jointly with others, determines the purposes and means of the processing of consumers' personal information, that does business in the State of Oklahoma;

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- 3. "Business purposes" means the use of personal information for the business' or a service provider's operational purposes, or other notified purposes; provided, that the use of personal information shall be reasonably necessary and proportionate to achieve the operational purpose for which the personal information is collected or processed or for another operational purpose that is compatible with the context in which the personal information is collected. Business purposes shall include:
  - a. auditing related to a current interaction with the consumer and concurrent transactions, including, but not limited to, counting ad impressions to unique visitors, verifying positioning and quality of ad impressions, and auditing compliance with this specification and other standards,

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- b. detecting security incidents, protecting against malicious, deceptive, fraudulent, or illegal activity, and prosecuting those responsible for such activity,
- c. debugging to identify and repair errors that impair existing intended functionality,
- d. short-term transient use, provided the personal information that is not disclosed to another third party and is not used to build a profile about a consumer or otherwise alter an individual consumer's experience outside the current interaction, including, but not limited to, the contextual customization of ads shown as part of the same interaction,
- e. performing services on behalf of the business or service provider, including maintaining or servicing accounts, providing customer service, processing or fulfilling orders and transactions, verifying customer information, processing payments, providing financing, providing advertising or marketing services, providing analytic services or providing similar services on behalf of the business or service provider,
- f. undertaking internal research for technological development and demonstration, and
- g. undertaking activities to verify or maintain the quality or safety of a service or device that is

owned, manufactured, manufactured for, or controlled by the business, and to improve, upgrade, or enhance the service or device that is owned, manufactured, manufactured for, or controlled by the business;

4. "Cloud-computing storage service" has the same definition as the term is defined by the National Institute of Standards and Technology Special Publication 800-145, or a successor publication, and includes the service and deployment models referenced therein;

- 5. "Connected television" means a video device designed for home use to receive television signals and reproduce them on an integrated, physical screen display that exceeds twelve (12) inches, except that this term shall not include a personal computer, portable device, or a separate device that connects physically or wirelessly to a television, including, but not limited to, a set-top box, video game console, or digital video recorder;
- 6. "Collects", "collected", or "collection" means buying, renting, gathering, obtaining, receiving, or accessing any personal information pertaining to a consumer by any means. This shall include receiving information from the consumer, either actively or passively, or by observing the consumer's behavior;
- 7. "Commercial purposes" means to advance a person's commercial or economic interests, such as by inducing another person to buy, rent, lease, join, subscribe to, provide, or exchange products, goods, property, information, or services, or by enabling or

1 effecting, directly or indirectly, a commercial transaction.

2 Commercial purposes shall not include for the purpose of engaging in 3 speech that state or federal courts have recognized as noncommercial 4 speech, including political speech and journalism;

8. "Consumer" means a natural person who is an Oklahoma resident;

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- 9. "Dark pattern" means a user interface designed or manipulated with the substantial effect of subverting or impairing user autonomy, decision-making, or choice;
- 10. "De-identified" means information that cannot reasonably identify, relate to, describe, be capable of being associated with, or be linked, directly or indirectly, to a particular consumer; provided that a business that uses de-identified information:
  - a. has implemented technical safeguards that prohibit reidentification of the consumer to whom the information may pertain,
  - b. has implemented business processes that specifically prohibit re-identification of the information,
  - c. has implemented business processes to prevent inadvertent release of de-identified information, and
  - d. makes no attempt to re-identify the information;
- 11. "Device" means any physical object that is capable of connecting to the Internet, directly or indirectly, or to another device;

12. "Home page" means the introductory page of an Internet website and any Internet web page where personal information is collected. In the case of an online service, such as a mobile application, home page means the application's platform page or download page, a link within the application, such as from the application configuration "About", "Information", or settings page, and any other location that allows consumers to review the posting required by Section 4 of this act;

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- 13. "Person" means an individual, proprietorship, firm, partnership, joint venture, syndicate, business trust, company, corporation, limited liability company, association, committee, and any other organization or group of persons acting in concert;
  - 14. a. "Personal information" means information that identifies, relates to, describes, is capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer or household. Personal information shall include, but is not limited to, the following:
    - (1) identifiers such as a real name, alias, postal address, unique personal identifier, online identifier, Internet Protocol address, email address, account name, Social Security number, driver license number, passport number, or other similar identifiers,

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- (2) characteristics of protected classifications under Oklahoma or federal law,
- (3) commercial information, including records of personal property, products or services purchased, obtained, or considered, or other purchasing or consuming histories or tendencies,
- (4) biometric information,
- (5) Internet or other electronic network activity information, including, but not limited to, browsing history, search history, and information regarding a consumer's interaction with an Internet website, application, or advertisement,
- (6) geolocation data,
- (7) audio, electronic, visual, thermal, olfactory, or similar information,
- (8) professional- or employment-related information,
- (9) education information, defined as information that is not publicly available personally identifiable information as defined in the Family Educational Rights and Privacy Act pursuant to 20 U.S.C., Section 1232g, 34 C.F.R. Part 99, and
- (10) inferences drawn from any of the information identified in this subparagraph to create a profile about a consumer reflecting the

consumer's preferences, characteristics,

psychological trends, predispositions, behavior,

attitudes, intelligence, abilities, and

aptitudes.

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- b. Personal information does not include publicly available information. For these purposes, "publicly available" means information that is lawfully made available from federal, state, or local government records, if any conditions associated with such information. Publicly available does not mean biometric information collected by a business about a consumer without the consumer's knowledge.

  Information is not publicly available if that data is used for a purpose that is not compatible with the purpose for which the data is maintained and made available in the government records or for which it is publicly maintained;
- 15. "Processing" means any operation or set of operations that is performed on personal data or on sets of personal data, whether or not by automated means;
- 16. "Retained" means saving, storing, or both saving and storing voice recorded data longer than the minimum time necessary to complete a requested command by the user; and

17. "Sell", "selling", or "sold" means selling, renting, releasing, disclosing, disseminating, making available, transferring, or otherwise communicating orally, in writing, or by electronic or other means, a consumer's personal information by the business to another business or a third party for monetary or other valuable consideration;

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- 18. "Smart speaker device" means a speaker and voice command device offered for sale in this state with an integrated virtual assistant connected to a cloud-computing storage service that uses hands-free verbal activation. A smart speaker device does not include a cellular telephone, tablet, laptop computer with mobile data access, pager, or motor vehicle, or any speaker or device associated with, or connected to, a vehicle;
- 19. "Third party" means a person who is not any of the following:
  - a. the business that collects personal information from consumers under this act,
  - b. a person to whom the business discloses a consumer's personal information for a business purpose pursuant to a written contract, provided that the contract:
    - (1) prohibits the person receiving the personal information from:
      - (a) selling the personal information,

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- (b) retaining, using, or disclosing the personal information for any purpose other than for the specific purpose of performing the services specified in the contract, including retaining, using, or disclosing the personal information for a commercial purpose other than providing the services specified in the contract, or
- (c) retaining, using, or disclosing the information outside of the direct business relationship between the person and the business, and
- (2) includes a certification made by the person receiving the personal information that the person understands the restrictions in division (1) of this subparagraph and will comply with the restrictions.

A person covered by this paragraph who violates any of the restrictions set forth in this act shall be liable for the violations. A business that discloses personal information to a person covered by this paragraph in compliance with this paragraph shall not be liable under this act if the person receiving the personal information uses it in violation of the restrictions set forth in this act; provided that, at the time of disclosing the

personal information, the business does not have actual knowledge, or reason to believe, that the person intends to commit such a violation;

- 20. "User" means a person who originally purchases, leases, or takes ownership of a connected television or smart speaker device, or another person designated by the user to perform the initial setup or installation of the connected television or smart speaker device. A person who is incidentally recorded when a voice recognition feature is activated by a user shall not be deemed to be a user;
- 21. "Voice recognition feature" means the function of a connected television or smart speaker device with a voice recognition feature that allows the collection, recording, storage, analysis, transmission, interpretation, or other use of spoken words or other sounds; except that this term shall not include spoken words or other sounds that are not recorded, retained, or transmitted beyond the connected television or smart speaker device; and
- 22. "Voice recorded data" means audio recordings or transcriptions of those recordings collected through the operation of a voice recognition feature by the manufacturer of a connected television or smart speaker device.

1 SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 103 of Title 75A, unless there is created a duplication in numbering, reads as follows:

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- Any person, business, entity, or website that operates an online business, provides the operation of a voice recognition feature, or operates a web page in this state that collects a consumer's personal digital information or data shall, before the point of collection, conspicuously post on its website home page, and on the device to be used during initial setup or installation, in a plain readable format, as to the categories of personal information to be collected and the purposes for which the categories of personal information shall be used. A business shall not collect additional categories of personal information or use personal information collected for additional purposes without providing the consumer with notice consistent with this section.
- В. The website and installation notification posting described in subsection A of this section shall provide the consumer the following:
- 1. The categories of personal information it will collect about that consumer;
- The categories of sources from which the personal information is collected;
- 23 The business or commercial purpose for collecting or selling 24 personal information;

4. The categories of third parties with whom the business will share personal information;

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- 5. The specific pieces of personal information it will collect about that consumer; and
- 6. A description of the process for an individual consumer who uses or visits the Internet website or online service to review and request changes to any of his or her consumer information that is collected through the Internet website or online service.
- C. Voice recognition devices shall also notify the user of the following:
- 1. That the connected television or smart speaker device contains a voice recognition feature; and
- 2. What actions or commands will activate the voice recognition feature to record or transcribe audio.
- D. If the business or website sells the consumer's personal data information, or discloses such information for a business purpose, the website posting described in subsection A of this section shall provide the consumer the following:
- 1. The categories of personal information that the business will collect about the consumer;
- 2. The categories of personal information that the business will sell about the consumer and the categories of third parties to whom the personal information will be sold, by category or categories of personal information for each third party to whom the

- personal information will be sold. If the information to be collected will not be sold, the business shall disclose that fact;
  - 3. The categories of personal information that the business plans to disclose about the consumer for a business purpose. If the information to be collected will not be disclosed for a business purpose, the business shall disclose that fact.
  - SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 104 of Title 75A, unless there is created a duplication in numbering, reads as follows:
    - A. A recording or transcription collected or retained through the operation of a voice recognition feature by the manufacturer of a connected television or smart speaker device, including, but not limited to, the operation of an accessible user interface for people with disabilities, if the recording or transcription qualifies as personal information or is not de-identified, shall not be:
      - 1. Used for any advertising purpose;

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- 2. Shared with, or sold to, a third party, unless the user has provided affirmative consent; or
- 3. Retained electronically, unless the user opts in to having that recording retained by the manufacturer either during installation or at a later time in the device settings.
- B. Notwithstanding paragraph 2 of subsection A of this section, a manufacturer may share information with a third party without

affirmative consent to the extent sharing that information is necessary to execute a function or provide a service specifically requested by the user; provided the third party does not use that information for any purpose other than to facilitate the execution of that function or provision of that service.

- C. If a user has provided affirmative consent for the sharing or sale of a recording or transcription as provided in paragraph 2 of subsection A of this section, the manufacturer shall provide the user with the option to revoke that consent at any time in a manner reasonably accessible to the user.
- D. If a user has declined to provide affirmative consent for the sharing or sale of a recording or transcription as provided in paragraph 2 of subsection A of this section, the person or entity seeking consent shall not request that affirmative consent for a period of at least twelve (12) months after the user has declined to provide that affirmative consent.
- E. If a person or entity providing the operation of a device with a voice recognition feature within this state retains voice recordings that qualify as personal information or are not deidentified, that person or entity shall provide users with both of the following:
- 1. An interface to review and delete those voice recordings.

  The interface shall be easily accessible and the user's rights with

respect to these recordings shall be clearly communicated to the user; and

- 2. The ability to delete those voice recordings automatically.
- F. If a person or entity providing the operation of a voice recognition feature that can be activated by a voice command determines that the voice recognition feature was incorrectly activated, the person or entity shall not use the associated audio recording for any purpose, except as specified in subsection B of this section.
- G. A person or entity providing the operation of a voice recognition feature that can be activated by a voice command may use an audio recording associated with an incorrect activation of a voice recognition feature to improve the accuracy of the voice recognition feature; provided that the user has provided affirmative consent for the use of the audio recording for that purpose.
- H. A person or entity shall not compel a manufacturer or other entity providing the operation of a voice recognition feature to build specific features for the purpose of allowing an investigative or law enforcement officer to monitor communications through that feature.
- I. A manufacturer shall not be liable for functionality provided by applications that the user chooses to use in the cloud or are downloaded and installed by a user, unless the manufacturer

1 collects, controls, or has access to any personal information 2 collected or elicited by the applications.

- J. This act shall not apply to any device regulated by the United States Food and Drug Administration.
- SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 105 of Title 75A, unless there is created a duplication in numbering, reads as follows:
- A. Actions for relief pursuant to this act may be prosecuted exclusively in a court of competent jurisdiction in a civil action brought in the name of the people of the State of Oklahoma by the Attorney General or by any district attorney. This act shall not be deemed to create a private right of action or limit any existing private right of action.
- B. A court may enjoin a person who knowingly engages, has engaged, or proposes to engage in a violation of this act. The court may make any orders or judgments as may be necessary to prevent a violation of this act.
- C. A person who knowingly engages, has engaged, or proposes to engage in a violation of this act shall be liable for a civil penalty not to exceed Two Thousand Five Hundred Dollars (\$2,500.00) for each connected television or smart speaker device sold or leased in violation of this act. If the action is brought by the Attorney General, the penalty shall be deposited into the Governmental Budget Account. If the action is brought by a district attorney, the

penalty shall be paid to the treasurer of the county in which the judgment was entered. D. Any party subject to the provisions of this act may seek information from the Office of the Attorney General for guidance on how to comply with the provisions of this act. The Office of the Attorney General is authorized to promulgate rules to effectuate the provisions of this act. SECTION 7. This act shall become effective November 1, 2022. 58-2-10453 MJ 02/14/22 

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