

BILL SUMMARY
2nd Session of the 58th Legislature

Bill No.:	HB 2969
Version:	Floor Amendment 1
Request Number:	11045
Author:	Rep. Walke
Date:	3/23/2022
Impact:	Funding mechanism provided; no need for additional appropriations anticipated

Research Analysis

The floor substitute for HB 2969 creates the Oklahoma Computer Data Privacy Act.

The measure applies to businesses that:

1. Conduct business in Oklahoma; and
2. Collect consumer information, and
3. Meet one of the following criteria:
 - Have a gross revenue exceeding \$15 million
 - Alone or in conjunction with others, buys, sells, receives or shares personal data for commercial purposes the personal information of at least 50,000 consumers, households, or devices; or
 - Derives 25 percent or more of its annual revenue from selling consumers' personal information.

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

The act requires businesses to:

- Notify consumers on its website that consumers have the right to opt in to the sale of their personal data and provide a way to do so;
- Obtain consent from consumers regarding the collection of their personal data;
- When requested by consumer, disclose personal data;
- When requested by consumer, disclose if the data is shared and the category of third parties with whom the business shares the personal information;
- Delete data if requested by the consumer. This also includes their data that was shared with third parties;
- Provide at least two points of contact;
- Provide requests within 45 days with extensions, if needed; and
- Protect consumers' personal information from unauthorized use, disclosure, access, destruction, or modification.

The act prohibits businesses from:

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

The measure allows businesses to:

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

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

Prepared By: Tricia Hines

Fiscal Analysis

The first floor amendment to the measure is a floor substitute. The floor substitute does not modify the fiscal impact of the committee substitute version of the measure.

Upon review, passage of the measure may have a fiscal impact to the state. Section 26 of the measure would provide civil penalties and injunctive relief for violations of the act. Section 26 would authorize the Oklahoma Attorney General to pursue civil penalties and/or injunctive relief for violations of the provisions of the measure. The measure would allow the OAG to recover expenses for such actions.

Since the measure contains this funding mechanism, it is the opinion of House Fiscal Staff that passage of the measure would not require additional appropriations to implement. The OAG has been contacted for an analysis from their perspective on the fiscal implications of passage of the measure.

Prepared By: Clayton Mayfield

Other Considerations

None.