

DEPARTMENT OF JUSTICE OFFICE OF THE ATTORNEY GENERAL

HB 4017: OREGON DATA BROKER REGISTRY

Problem:

Our personal information is worth a fortune, so why are we giving it away for free? Every day, businesses large and small collect millions of personal data points about Oregonians. When transacting business directly with a company, consumers have some control over what information we choose to share. But behind the scenes, a \$232 billion data broker industry collects our personal information and sells it for a handsome profit, most often without our consent or even awareness.

Companies called "data brokers" have no direct relationship with consumers, yet they collect and purchase information about us from retailers, credit card companies, public records, websites we visit, and what we click on. They collect everything from contact information to birth dates, relationship status, education, religious and political views, gender, race, income, and more. Data brokers bundle up these details, often creating intimate consumer profiles, and sell our information to advertising and insurance companies, and even to members of the public.

Beyond the privacy implications of non-consensual sale of our personal information, there are more dangerous aspects of this business practice. Irresponsible behavior by data brokers has included enabling doxing behavior, publicizing victim information, using personal information to facilitate racial and ethnic discrimination, and sharing information about people with cognitive deficiencies, including many older Oregonians.

The data broker industry is largely unregulated. While federal law touches on some aspects of this market, these laws are limited to certain sectors and uses, and no law fully regulates data brokers. California and Vermont recently responded to the growing call for reform by enacting data broker registration laws that require these companies to provide basic information to the public.

Solution:

HB 4017 will create a data broker registry for Oregon, housed within the state's Department of Consumer and Business Services. The registry will identify companies that collect and sell Oregonians' personal information, but that do not deal directly with the consumer.

To do business in Oregon, a data broker will have to register with DCBS, and provide DCBS with basic contact information, along with information about whether a consumer can "opt out" of the data broker's collection and sale of their personal information, and a method for requesting an opt out (if applicable).

Oregon Department of Justice 1162 Court Street NE, Salem, OR 97301 (503) 378-6002 www.doj.state.or.us The registry will give Oregon consumers something they're lacking now— a way to contact data brokers to inquire about their data collection practices. If the company has an opt out policy, the consumer can also decide whether to permit a data broker to sell or otherwise profit off their personal information.

This modest —but crucially important —law will shine a light on the data broker industry, providing Oregon consumers with a tool they can use to identify and set limits on the sale of their personal data.

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