

Oregon Department of Justice

Office of the Attorney General

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HB 2052: Data Broker Transparency

Problem:

Every day, businesses large and small collect millions of personal data points about where we shop, where we go, and what we search for online. Most people would be shocked to know there is even a \$232 billion industry that collects and sells our personal information for a handsome profit, often without our consent or awareness. Our privacy is significantly at risk without legislative action.

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 to create intimate consumer profiles, and sell our information to advertising and insurance companies, and even the general public.

Beyond the privacy implications of the sale of our personal information, there are also dangerous aspects of this business practice. Data brokers have used this information to enable doxing behavior, publicize victim information, use personal information to facilitate racial and ethnic discrimination, and target vulnerable Oregonians, including older adults and people with disabilities.

The data broker industry is largely unregulated. While federal law touches on some aspects of this market, and Oregon has an opportunity this year to give consumers more rights and control over their data (SB 619: the Oregon Consumer Privacy Act), no law fully regulates data brokers and they continue to operate in the shadows. 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 2052 is a reintroduction of HB 4017A (2022), which despite broad bipartisan support, did not pass in the short session. The measure, developed in consultation with the Attorney General's Consumer Privacy Task Force, will create a data broker registry for Oregon, housed within the state's Department of Consumer and Business Services (DCBS).

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).

The registry will shine a light on the data broker industry and 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 and profit from their personal information. The registry will also be a crucial tool for the Department of Justice if the legislature passes the Oregon Consumer Privacy Act (LC 390), as it will help identify data brokers who are operating in Oregon.

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