LC 390 2023 Regular Session 13700-006 11/4/22 (TSB/ps)

DRAFT

SUMMARY

Permits consumers to obtain from a controller that processes consumer personal data confirmation as to whether controller is processing consumer's personal data and categories of personal data controller is processing, list of specific third parties to which controller has disclosed consumer's personal data and copy of all of consumer's personal data that controller has processed or is processing. Permits consumer to require controller to correct inaccuracies in personal data about consumer, require controller to delete personal data about consumer or opt out from controller's processing of consumer's personal data under certain circumstances.

Requires controller to provide to consumers reasonably accessible, clear and meaningful privacy notice that lists categories of personal data controller processes, describes controller's purpose for processing personal data, describes how consumer may exercise consumer's rights with respect to personal data, lists categories of personal data that controller shares with third parties, list all categories of third parties with which the controller shares personal data and provides other information.

Specifies duties of, and prohibits specified actions of, controller and of processor that acts at controller's direction.

Permits Attorney General to investigate violations of Act and to bring action to seek civil penalty of not more than \$7,500 for each violation.

Permits consumer or class of consumers to bring action after specified date for ascertainable loss of money or property resulting from violation of Act.

A BILL FOR AN ACT

- 2 Relating to protections for the personal data of consumers; creating new provisions; and amending ORS 180.095.
- 4 Be It Enacted by the People of the State of Oregon:

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SECTION 1. As used in sections 1 to 10 of this 2023 Act:

- 1 (1) "Affiliate" means a person that, directly or indirectly through 2 one or more intermediaries, controls, is controlled by or is under 3 common control with another person such that:
- (a) The person owns or has the power to vote more than 50 percent of the outstanding shares of any voting class of the other person's securities;
 - (b) The person has the power to elect or influence the election of a majority of the directors, members or managers of the other person;
- 9 (c) The person has the power to direct the management of another 10 person; or
- 11 (d) The person is subject to another person's exercise of the powers 12 described in paragraph (a), (b) or (c) of this subsection.
 - (2) "Authenticate" means to determine, using a commercially reasonable method, whether a consumer with the rights described in section 3 of this 2023 Act, or a person acting on behalf of the consumer, has asked to exercise any of the consumer's rights.
- (3)(a) "Biometric data" means data generated by automatic measurements of a consumer's biological characteristics, such as the consumer's fingerprint, voiceprint, retinal pattern, iris pattern or other unique biological characteristics.
- 21 (b) "Biometric data" does not include:
- 22 (A) A photograph recorded digitally or otherwise;
- 23 (B) An audio or video recording; or

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- (C) Data from a photograph or from an audio or video recording, unless the data were generated for the purpose of identifying a specific consumer.
- 27 (4) "Business associate" has the meaning given that term in 45 28 C.F.R. 160.103, as in effect on the effective date of this 2023 Act.
- 29 (5) "Child" means an individual under the age of 13.
- 30 (6) "Consent" means an affirmative act by means of which a con-31 sumer clearly and conspicuously communicates the consumer's assent

- 1 to another person's act or practice under the following conditions:
- 2 (a) The user interface by means of which the consumer performs
- 3 the act does not have any mechanism that has the purpose or sub-
- 4 stantial effect of obtaining consent by obscuring, subverting or im-
- 5 pairing the consumer's autonomy, decision making or choice; and
- 6 (b) The consumer's inaction does not constitute consent.
- 7 (7) "Consumer" means a natural person who resides in this state 8 and acts in any capacity other than engaging in commercial activity
- 9 or performing duties as an employer or employee.
- 10 (8) "Controller" means a person that acts alone or in concert with
- another person to determine purposes and means for processing per-
- 12 sonal data.
- 13 (9) "Covered entity" has the meaning given that term in 45 C.F.R.
- 14 160.103, as in effect on the effective date of this 2023 Act.
- 15 (10) "Deidentified data" means data that:
- 16 (a) Cannot reasonably be used to infer information about, or oth-
- 17 erwise be linked to, an identified or identifiable consumer, or to a de-
- 18 vice that identifies, is linked to or is reasonably linkable to a
- 19 consumer; or
- 20 **(b) Is:**

- 21 (A) Derived from patient information that was originally created,
- 22 collected, transmitted or maintained by an entity subject to regulation
- 23 under the Health Insurance Portability and Accountability Act of 1996,
- 24 P.L. 104-191, as in effect on the effective date of this 2023 Act, or the
- 25 Federal Policy for the Protection of Human Subjects, codified as 45
- 26 C.F.R. part 46 and in various other deferral regulations, as codified in
- 27 various sections of the Code of Federal Regulations and as in effect
- 28 on the effective date of this 2023 Act; and
- 29 (B) Deidentified as provided in 45 C.F.R. 164.514, as in effect on the
- 30 effective date of this 2023 Act.
 - (11) "Device" means electronic equipment designed for a consumer's

- 1 use that can transmit or receive personal data.
- (12)(a) "Personal data" means data, derived data or a unique iden-2
- tifier that is linked to or is reasonably linkable to a consumer or to a 3
- device that identifies, is linked to or is reasonably linkable to one or 4
- more consumers. 5
- (b) "Personal data" does not include deidentified data or data that: 6
- 7 (A) Is lawfully available through federal, state or local government 8
 - records or through widely distributed media; or
- (B) A controller reasonably has understood to have been lawfully 9 made available to the public by a consumer. 10
- (13) "Process" or "processing" means an action, operation or set of 11 12 actions or operations that is performed, automatically or otherwise, on personal data or on sets of personal data, such as collecting, using, 13 storing, disclosing, analyzing, deleting or modifying the personal data. 14
- (14) "Processor" means a person that processes personal data on 15 behalf of a controller. 16
- (15) "Profiling" means an automated processing of personal data for 17 the purpose of evaluating, analyzing or predicting an identified or 18 identifiable consumer's economic circumstances, health, personal 19 preferences, interests, reliability, behavior, location or movements. 20
- (16)(a) "Sale" or "sell" means a controller's act of exchanging per-21 sonal data with a third party for money or other valuable consider-22 ation or, as appropriate, the completion of such an exchange. 23
- (b) "Sale" or "sell" does not include: 24
- (A) A disclosure of personal data to a processor; 25
- (B) A disclosure of personal data to an affiliate of a controller or 26 to a third party for the purpose of enabling the controller to provide 27 a product or service to a consumer that requested the product or ser-28 vice; 29
- (C) A disclosure or transfer of personal data from a controller to a 30 third party as part of a proposed or completed merger, acquisition, 31

- 1 bankruptcy or other transaction in which the third party assumes
- 2 control of all or part of the controller's assets, including the personal
- 3 data; or

- 4 (D) A disclosure of personal data that occurs because a consumer:
- 5 (i) Directs a controller to disclose the personal data;
- 6 (ii) Intentionally discloses the personal data in the course of di-7 recting a controller to interact with a third party; or
- 8 (iii) Intentionally discloses the personal data to the public by means 9 of mass media.
- 10 (17) "Sensitive data" means personal data that:
- 11 (a) Reveals a consumer's racial or ethnic background, national or12 igin, religious beliefs, mental or physical condition or diagnosis, sexual
 13 orientation, gender identity, status as a victim of crime or citizenship
 14 or immigration status;
- 15 **(b)** Is a child's personal data;
- 16 (c) Accurately identifies within a radius of 1,750 feet a consumer's
 17 present or past location, or the present or past location of a device
 18 that links or is linkable to a consumer by means of technology that
 19 includes, but is not limited to, a global positioning system that pro20 vides latitude and longitude coordinates; or
- 21 (d) Is genetic or biometric data.
- 22 (18)(a) "Targeted advertising" means advertising that is selected for 23 display to a consumer on the basis of personal data obtained from the 24 consumer's activities over time and across one or more unaffiliated 25 websites or online applications and is used to predict the consumer's 26 preferences or interests.
 - (b) "Targeted advertising" does not include:
- 28 (A) Advertisements that are based on activities within a controller's 29 own websites or online applications;
- 30 (B) Advertisements based on the context of a consumer's current 31 search query, visit to a specific website or use of an online application;

- 1 (C) Advertisements that are directed to a consumer in response to 2 the consumer's request for information or feedback; or
- 3 (D) A processing of personal data solely for the purpose of meas-4 uring or reporting an advertisement's frequency, performance or 5 reach.
- 6 (19) "Third party" means a person or a public body, as defined in 7 ORS 174.109, other than a consumer, a controller, a processor or an 8 affiliate of a controller or processor.
- 9 <u>SECTION 2.</u> (1) Sections 1 to 10 of this 2023 Act apply to any person 10 that conducts business in this state, or that provides products or ser-11 vices to residents of this state, and that during a calendar year, con-12 trols or processes:
 - (a) The personal data of 100,000 or more consumers, personal data from 100,000 or more devices that identify or that link to or are reasonably linkable to one or more consumers, or personal data from a combination of 100,000 or more consumers and devices; or
- 17 (b) The personal data of 25,000 or more consumers, while deriving
 18 25 percent or more of the person's annual gross revenue from selling
 19 personal data.
- 20 (2) Sections 1 to 10 of this 2023 Act do not apply to:
- 21 (a) A public body, as defined in ORS 174.109;

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- 22 (b) Protected health information that a covered entity or business 23 associate processes in accordance with the Health Insurance Portabil-24 ity and Accountability Act of 1996, P.L. 104-191, and regulations 25 promulgated under the Act, as in effect on the effective date of this 26 2023 Act;
- (c) Information used only for public health activities and purposes described in 45 C.F.R. 164.512, as in effect on the effective date of this 29 2023 Act;
- 30 (d) Information that identifies a consumer in connection with:
- 31 (A) Activities that are subject to the Federal Policy for the Pro-

- 1 tection of Human Subjects, codified as 45 C.F.R. part 46 and in various
- other federal regulations, as in effect on the effective date of this 2023
- 3 Act;
- 4 (B) Research on human subjects undertaken in accordance with
- 5 good clinical practice guidelines issued by the International Council
- 6 for Harmonisation of Technical Requirements for Pharmaceuticals for
- 7 Human Use;
- 8 (C) Activities that are subject to the protections provided in 21
- 9 C.F.R. parts 50 and 56, as in effect on the effective date of this 2023
- 10 Act; or
- 11 (D) Research conducted in accordance with the requirements set
- 12 forth in subparagraphs (A) to (C) of this paragraph or otherwise in
- 13 accordance with applicable law;
- 14 (e) Information collected or maintained solely in connection with,
- and for the purpose of, enabling:
- 16 (A) An individual's employment or application for employment;
- 17 (B) An individual's ownership of, or function as a director or officer
- 18 of, a business entity;
- 19 (C) An individual's contractual relationship with a business entity;
- 20 (D) An individual's receipt of benefits from an employer, including
- 21 benefits for the individual's dependents or beneficiaries; or
- 22 (E) Notice of an emergency to persons that an individual specifies;
- 23 (f) Any activity that involves collecting, maintaining, disclosing,
- 24 selling, communicating or using information for the purpose of eval-
- 25 uating a consumer's creditworthiness, credit standing, credit capacity,
- 26 character, general reputation, personal characteristics or mode of liv-
- 27 ing if done strictly in accordance with the provisions of the Fair Credit
- 28 Reporting Act, 15 U.S.C. 1681 et seq., as in effect on the effective date
- 29 of this 2023 Act, by:
- 30 (A) A consumer reporting agency, as defined in 15 U.S.C. 1681a(f),
- as in effect on the effective date of this 2023 Act;

- 1 (B) A person who furnishes information to a consumer reporting 2 agency under 15 U.S.C. 1681s-2, as in effect on the effective date of this 3 2023 Act; or
- 4 (C) A person who uses a consumer report as provided in 15 U.S.C. 5 1681b(a)(3);
- (g) Information collected, processed, sold or disclosed under and in
 accordance with the following federal laws, all as in effect on the effective date of this 2023 Act:
- 9 (A) The Gramm-Leach-Bliley Act, P.L. 106-102, and regulations 10 adopted to implement that Act;
- 11 (B) The Driver's Privacy Protection Act of 1994, 18 U.S.C. 2721 et 12 seq.;
- 13 (C) The Family Educational Rights and Privacy Act, 20 U.S.C. 1232g 14 and regulations adopted to implement that Act; and
- (D) The Airline Deregulation Act, P.L. 95-504, only to the extent that an air carrier collects information related to prices, routes or services and only to the extent that the provisions of the Airline Deregulation Act preempt sections 1 to 10 of this 2023 Act; or
- 19 (h) A financial institution or an affiliate of a financial institution, 20 as defined in the Gramm-Leach-Bliley Act, P.L. 106-102, and in regu-21 lations adopted to implement that Act, as in effect on the effective 22 date of this 2023 Act.
- 23 (3) Sections 1 to 10 of this 2023 Act do not prohibit a controller or 24 processor from:
- 25 (a) Complying with federal, state or local statutes, ordinances, rules 26 or regulations;
- (b) Complying with a federal, state or local governmental inquiry, investigation, subpoena or summons related to a civil, criminal or administrative proceeding;
- 30 (c) Cooperating with a law enforcement agency concerning conduct 31 or activity that the controller or processor reasonably and in good

- 1 faith believes may violate federal, state or local statutes, ordinances,
- 2 rules or regulations;
- 3 (d) Investigating, initiating or defending legal claims;
- 4 (e) Preventing, detecting, protecting against or responding to, and 5 investigating, reporting or prosecuting persons responsible for, secu-
- 6 rity incidents, identity theft, fraud, harassment or malicious, decep-
- 7 tive or illegal activity;
- 8 (f) Identifying and repairing technical errors in a controller's or 9 processor's information systems that impair existing or intended
- 10 functionality;
- 11 (g) Providing a product or service that a consumer specifically re-
- 12 quests from the controller or processor or requests as the parent or
- 13 guardian of a child on the child's behalf or as the guardian or
- 14 conservator of a person subject to a guardianship, conservatorship or
- 15 other protective arrangement on the person's behalf;
- 16 (h) Negotiating, entering into or performing a contract with a
- 17 consumer; or
- 18 (i) Protecting any person's health and safety.
- 19 (4) Sections 1 to 10 of this 2023 Act do not apply to the extent that
- 20 a controller's or processor's compliance with sections 1 to 10 of this
- 21 2023 Act would violate an evidentiary privilege under the laws of this
- 22 state. Notwithstanding the provisions of sections 1 to 10 of this 2023
- 23 Act, a controller or processor may provide personal data about a con-
- 24 sumer in a privileged communication to a person that is covered by
- 25 an evidentiary privilege under the laws of this state.
- SECTION 3. (1) Subject to section 4 of this 2023 Act, a consumer
- 27 or an authorized agent of the consumer may:
- 28 (a) Obtain from a controller:
- 29 (A) Confirmation as to whether the controller is processing or has
- 30 processed the consumer's personal data and the categories of personal
- 31 data the controller is processing or has processed;

- 1 (B) A list of specific third parties to which the controller has dis-2 closed the consumer's personal data; and
 - (C) A copy of all of the consumer's personal data that the controller has processed or is processing;
- (b) Require a controller to correct inaccuracies in personal data about the consumer, taking into account the nature of the personal data and the controller's purpose for processing the personal data;
- 8 (c) Require a controller to delete personal data about the consumer 9 whether the consumer provided the personal data or the controller 10 obtained the personal data from another source; or
- 11 (d) Opt out from a controller's processing of personal data of the 12 consumer that the controller processes for any of the following pur-13 poses:
- 14 (A) Targeted advertising;

- (B) Selling the personal data; or
- 16 (C) Profiling the consumer to support decisions that produce legal 17 effects or effects of similar significance.
- (2) A controller that provides a copy of personal data to a consumer under subsection (1)(a)(C) of this section shall provide the personal data in a portable and, to the extent technically feasible, readily usable format that allows the consumer to transmit the personal data to another person without hindrance.
- 23 (3) This section does not require a controller to provide personal 24 data to a consumer in a manner that would disclose the controller's 25 trade secrets, as defined in ORS 646.461.
- SECTION 4. (1) A consumer may exercise the rights described in section 3 of this 2023 Act by submitting a request to a controller using the method that the controller specifies in the privacy notice described in section 5 of this 2023 Act.
- 30 (2) A controller may not require a consumer to create an account 31 for the purpose described in subsection (1) of this section, but the

- controller may require the consumer to use an account the consumer created previously.
 - (3) A parent or legal guardian may exercise the rights described in section 3 of this 2023 Act on behalf of the parent's child or on behalf of a child for whom the guardian has legal responsibility. A guardian or conservator may exercise the rights described in subsection (1) of this section on behalf of a consumer that is subject to a guardianship, conservatorship or other protective arrangement.
 - (4) A consumer may designate another person to act on the consumer's behalf as the consumer's authorized agent for the purpose of opting out of a controller's processing of the consumer's personal data, as provided in section 3 (1)(d) of this 2023 Act. The consumer may designate an authorized agent by means of an internet link, browser setting, browser extension, global device setting or other technology that enables the consumer to opt out of the controller's processing of the consumer's personal data. A controller shall comply with a request to opt out that the controller receives from a consumer's authorized agent.
- 19 (5) Except as otherwise provided in sections 1 to 10 of this 2023 Act, 20 in responding to a request under subsection (1) of this section, a con-21 troller shall:
 - (a) Respond to a request from a consumer or an authorized agent without undue delay and not later than 45 days after receiving the request. The controller may extend the period within which the controller responds by an additional 45 days if the extension is reasonably necessary to comply with the consumer's or authorized agent's request, taking into consideration the complexity of the request and the number of requests the consumer makes. A controller that intends to extend the period for responding shall notify the consumer or authorized agent within the initial 45-day response period and explain the reason for the extension.

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- 1 (b) Notify the consumer or authorized agent without undue delay and not later than 45 days after receiving the consumer's or authorized agent's request if the controller declines to take action on the request. The controller in the notice shall explain the justification for not taking action and include instructions for appealing the controller's decision.
 - (c) Provide information the consumer or authorized agent requests once during any 12-month period without charge to the consumer or authorized agent. A controller may charge a reasonable fee to cover the administrative costs of complying with a second or subsequent request within the 12-month period.
 - (d) Notify the consumer or authorized agent if the controller canusing commercially reasonable methods, authenticate the consumer's or authorized agent's request without additional information from the consumer or authorized agent. A controller that sends a notification under this paragraph does not have to comply with the request until the consumer or authorized agent provides the information necessary to authenticate the request.
 - (e) Comply with a request under section 3 (1)(d) of this 2023 Act to opt out of the controller's processing of the consumer's personal data without requiring authentication, except that:
 - (A) A controller may ask for additional information necessary to comply with the request, such as information that is necessary to identify the consumer that requested to opt out, but shall, if possible, comply with request without asking for additional information.
 - (B) A controller may deny a request to opt out if the controller has a good-faith, reasonable and documented belief that the request is fraudulent. If the controller denies a request under this subparagraph, the controller shall notify the consumer or the authorized agent that the controller believes the request is fraudulent, stating in the notice the reasons for the controller's belief and that the controller will not

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- 2 (6) A controller shall establish a process by means of which a con-3 sumer or an authorized agent may appeal the controller's refusal to 4 take action on a request under subsection (1) of this section. The 5 controller's process must:
- 6 (a) Allow a reasonable period of time after the consumer or the 7 authorized agent receives the controller's refusal within which to ap-8 peal;
- 9 (b) Be conspicuously available to the consumer or the authorized agent;
 - (c) Be similar to the manner in which a consumer or authorized agent must submit a request under subsection (1) of this section; and
 - (d) Require the controller to approve or deny the appeal within 45 days after the date on which the controller received the appeal and to notify the consumer or authorized agent in writing of the controller's decision and the reasons for the decision. If the controller denies the appeal, the notice must provide or specify information that enables the consumer to contact the Attorney General to submit a complaint.
- 19 (7) A controller that obtains personal data about a consumer from 20 a source other than the consumer complies with the consumer's or 21 an authorized agent's request to delete the personal data if the con-22 troller:
- (a) Deletes the data but retains a record of the deletion request and a minimal amount of data necessary to ensure that the personal data remains deleted and does not use the minimal data for any other purpose; or
- (b) Allows the consumer or the authorized agent to opt out of the controller's processing of the consumer's personal data except to the extent that the processing is exempt from regulation under sections 1 to 10 of this 2023 Act.
 - **SECTION 5.** (1) A controller shall:

- (a) Specify in the privacy notice described in subsection (4) of this section the express purposes for which the controller is collecting and processing personal data;
- (b) Limit the controller's collection of personal data to only the personal data that is adequate, relevant and reasonably necessary to serve the purposes the controller specified in paragraph (a) of this subsection;
- (c) Establish, implement and maintain for personal data the same safeguards described in ORS 646A.622 that are required for protecting personal information, as defined in ORS 646A.602, such that the controller's safeguards protect the confidentiality, integrity and accessibility of the personal data to the extent appropriate for the volume and nature of the personal data; and
- (d) Provide an effective means by which a consumer or an authorized agent may revoke the consumer's consent to the controller's processing of the consumer's personal data. The means must be at least as easy as the means by which the consumer or authorized agent provided consent. Once the consumer or authorized agent revokes consent, the controller shall cease processing the personal data as soon as is practicable, but not later than 15 days after receiving the revocation.
 - (2) A controller may not:

- (a) Process personal data for purposes that are not reasonably necessary for or compatible with the purposes the controller specified in subsection (1)(a) of this section, unless the processing is otherwise permitted under sections 1 to 10 of this 2023 Act or unless the controller obtains the consumer's or an authorized agent's consent;
- (b) Process sensitive data about a consumer without first obtaining the consumer's, or an authorized agent's, consent or, if the sensitive data concerns a consumer that the controller knows or constructively knows is a child, without processing the sensitive data in accordance

- with the Children's Online Privacy Protection Act of 1998, 15 U.S.C.
- 2 6501 et seq. and the regulations, rules and guidance adopted under the
- 3 Act, all as in effect on the effective date of this 2023 Act;
- 4 (c) Process a consumer's personal data for the purposes of targeted
- 5 advertising or sell the consumer's personal data without the
- 6 consumer's consent if the controller has actual or constructive
- 7 knowledge that the consumer is at least 13 years of age and not older
- 8 than 15 years of age; or
- 9 (d) Discriminate against a consumer that exercises a right provided
- 10 to the consumer under sections 1 to 10 of this 2023 Act by means such
- 11 as denying goods or services, charging different prices or rates for
- 12 goods or services or providing a different level of quality or selection
- 13 of goods or services to the consumer.
- 14 (3) Subsections (1) and (2) of this section do not:
- 15 (a) Require a controller to provide a good or service that requires
- 16 personal data from a consumer that the controller does not collect or
- 17 maintain; or
- 18 (b) Prohibit a controller from offering a different price, rate, level
- 19 of quality or selection of goods or services to a consumer, including
- 20 an offer for no fee or charge, in return for a consumer's voluntary
- 21 participation in a bona fide reward, club card or loyalty program or
- 22 for premium features or discounts.
- 23 (4) A controller shall provide to consumers a reasonably accessible,
- 24 clear and meaningful privacy notice that:
- 25 (a) Lists the categories of personal data, including the categories
- 26 of sensitive data, that the controller processes;
- 27 (b) Describes the controller's purposes for processing the personal
- 28 data;
- 29 (c) Describes how a consumer may exercise the consumer's rights
- 30 under sections 1 to 10 of this 2023 Act, including how a consumer may
- 31 appeal a controller's denial of a consumer's request under section 4

of this 2023 Act;

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- 2 (d) Lists all categories of personal data, including the categories of sensitive data, that the controller shares with third parties;
 - (e) List all categories of third parties with which the controller shares personal data;
- 6 (f) Specifies an electronic mail address or other online method by 7 which a consumer can contact the controller that the controller ac-8 tively monitors;
 - (g) Identifies the controller, including any business name under which the controller registered with the Secretary of State and any assumed business name that the controller uses in this state;
- (h) Provides a clear and conspicuous description of any processing of personal data in which the controller engages for the purpose of targeted advertising or for the purpose of profiling the consumer in furtherance of decisions with legal effects or with similarly serious effects, and a procedure by which the consumer may opt out of this type of processing; and
- 18 (i) Describes the method the controller has established for a con-19 sumer to submit a request under section 4 (1) of this 2023 Act.
- 20 (5) The method described in subsection (4)(i) of this section for 21 submitting a consumer's request to a controller must:
- 22 (a) Take into account the ways in which consumers normally 23 interact with the controller;
- 24 (b) Be secure and reliable;
- 25 (c) Permit the controller to authenticate the request;
- (d) Provide a clear and conspicuous link to a webpage where the consumer or an authorized agent may opt out from a controller's processing of the consumer's personal data as described in section 3 (1)(d) of this 2023 Act or, solely if the consumer does not have a capacity needed for linking to a webpage, provide another method the consumer can use to opt out; and

- 1 (e) Allow a consumer or authorized agent to send a signal to the controller that indicates the consumer's preference to opt out under 2 section 3 (1)(d) of this 2023 Act by means of a platform, technology or 3 mechanism that: 4
 - (A) Does not unfairly disadvantage another controller;

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- (B) Does not use a default setting but instead requires the con-6 sumer or authorized agent to make an affirmative, voluntary and un-7 ambiguous choice to opt out; 8
- (C) Is consumer friendly and easy for an average consumer to use; 9
 - (D) Is as consistent as possible with similar platforms, technologies or mechanisms required under federal or state laws or regulations; and
 - (E) Enables the controller to accurately determine whether the consumer is a resident of this state and has made a legitimate request under section 4 of this 2023 Act to opt out as described in section 3 (1)(d) of this 2023 Act.
- 16 (6) If a consumer or authorized agent uses a method described in subsection (5) of this section to opt out of a controller's processing of the consumer's personal data under section 3 (1)(d) of this 2023 Act and the decision conflicts with a consumer's voluntary participation a bona fide reward, club card or loyalty program or a program that provides premium features or discounts in return for the consumer's consent to the controller's processing of the consumer's personal data, the controller shall notify the consumer of the conflict and ask the consumer to affirm that the consumer intends to withdraw from the bona fide reward, club card or loyalty program or the program that provides premium features or discounts. If the consumer affirms that the consumer intends to withdraw, the controller shall comply with the request to opt out.
 - SECTION 6. (1) A processor shall adhere to a controller's instructions and shall assist the controller in meeting the controller's obligations under sections 1 to 10 of this 2023 Act. In assisting the

1 controller, the processor must:

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- (a) Enable the controller to respond to requests from consumers under section 4 of this 2023 Act by means that take into account how the processor processes personal data and the information available to the processor and that use appropriate technical and organizational measures to the extent reasonably practicable;
 - (b) Secure the personal data, taking into account how the processor processes the personal data and the information available to the processor; and
- 10 (c) Provide information the controller needs to conduct and docu-11 ment data protection assessments.
- 12 (2) The processor shall enter into a contract with the controller 13 that governs how the processor processes personal data on the 14 controller's behalf. The contract must:
 - (a) Be valid and binding on both parties;
- 16 **(b)** Set forth clear instructions for processing data, the nature and 17 purpose of the processing, the type of data that is subject to processing 18 and the duration of the processing;
- 19 (c) Specify the rights and obligations of both parties with respect 20 to the subject matter of the contract;
- 21 (d) Ensure that each person that processes personal data is subject 22 to a duty of confidentiality with respect to the personal data;
- (e) Require the processor to delete the personal data or return the personal data to the controller at the controller's direction or when the contract expires or terminates, unless a law requires the processor to retain the personal data;
- (f) Require the processor to make available to the controller, at the controller's request, all information the controller needs to verify that the processor has complied with all obligations the processor has under sections 1 to 10 of this 2023 Act;
 - (g) Require the processor to enter into a subcontract with any per-

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- son the processor engages to assist with processing personal data on the controller's behalf and in the subcontract require the subcontractor to meet the processor's obligations under the processor's contract with the controller; and
 - (h) Allow the controller, the controller's designee or a qualified and independent person the processor engages, in accordance with an appropriate and accepted control standard, framework or procedure, to assess the processor's policies and technical and organizational measures for complying with the processor's obligations under the contract, and require the processor to cooperate with the assessment and, at the controller's request, report the results of the assessment to the controller.
 - (3) This section does not relieve a controller or processor from any liability that accrues under sections 1 to 10 of this 2023 Act as a result of the controller's or processor's actions in processing personal data.
- 16 (4)(a) For purposes of determining liabilities under sections 1 to 10 17 of this 2023 Act, a person is a controller with respect to processing a 18 set of personal data if the person:
- 19 (A) Does not need to adhere to another person's instructions to 20 process the personal data;
- (B) Does not adhere to another person's instructions with respect to processing the personal data when the person is obligated to do so; or
 - (C) Begins at any point to determine the purposes and means for processing the personal data, alone or in concert with another person.
- 26 (b) A determination under this subsection is a fact-based determi-27 nation that must take account of the context in which a set of per-28 sonal data is processed.
- (c) A person who is determined to be a controller is subject to an action under section 9 of this 2023 Act to punish a violation of sections

 1 to 10 of this 2023 Act.

- SECTION 7. (1)(a) A controller that possesses deidentified data shall:
- 3 (A) Take reasonable measures to ensure that the deidentified data 4 cannot be associated with an individual;
 - (B) Publicly commit to maintaining and using deidentified data without attempting to reidentify the deidentified data;
 - (C) Enter into a contract with a recipient of the deidentified data and provide in the contract that the recipient must comply with the controller's obligations under sections 1 to 10 of this 2023 Act; and
- (D) Exercise reasonable oversight to monitor any contractual obligations to which a disclosure of deidentified data is subject and take appropriate steps to enforce breaches of the contractual obligations, if the controller discloses deidentified data.
- 14 (b) This section does not prohibit a controller from attempting to 15 reidentify deidentified data solely for the purpose of testing the 16 controller's methods for deidentifying data.
- 17 (2) Sections 1 to 10 of this 2023 Act do not:
- 18 (a) Require a controller or processor to:
- 19 (A) Reidentify deidentified data; or

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- 20 (B) Associate a consumer with personal data in order to 21 authenticate the consumer's request under section 4 of this 2023 Act 22 by:
- 23 (i) Maintaining data in identifiable form; or
- 24 (ii) Collecting, retaining or accessing any particular data or tech-25 nology.
- 26 (b) Require a controller or processor to comply with a consumer's request under section 4 of this 2023 Act if the controller:
- 28 (A) Cannot reasonably associate the request with personal data or 29 if the controller's attempt to associate the request with personal data 30 would be unreasonably burdensome;
 - (B) Does not use personal data to recognize or respond to the spe-

- 1 cific consumer who is the subject of the personal data or associate the
- 2 personal data with any other personal data about the specific con-
- 3 sumer; and
- 4 (C) Does not sell or otherwise voluntarily disclose personal data to
- 5 a third party other than a processor, except as otherwise provided in
- 6 this section.
- 7 SECTION 8. (1)(a) A controller shall conduct and document a data
- 8 protection assessment for each of the controller's processing activities
- 9 that presents a heightened risk of harm to a consumer.
- 10 (b) A processing activity presents a heightened risk of harm to a
- 11 consumer if:
- 12 (A) The controller processes personal data for the purpose of tar-
- 13 geted advertising;
- 14 (B) The controller processes sensitive data;
- 15 (C) The controller sells the personal data; or
- 16 (D) The controller uses the personal data for profiling a consumer,
- 17 if the profiling presents a reasonably foreseeable risk of:
- 18 (i) Unfair or deceptive treatment of, or unlawful disparate impact
- 19 **on, consumers**;
- 20 (ii) Financial, physical or reputational injury to consumers;
- 21 (iii) Physical or other types of intrusion upon a consumer's soli-
- 22 tude, seclusion or private affairs or concerns, if the intrusion would
- 23 be offensive to a reasonable person; or
- 24 (iv) Other substantial injury to consumers.
- 25 (c) A single data protection assessment may address a comparable
- 26 set of processing operations that present a similar heightened risk of
- 27 harm.
- 28 (2) A data protection assessment shall identify and weigh how pro-
- 29 cessing personal data may directly or indirectly benefit the controller,
- 30 the consumer, other stakeholders and the public against potential
- 31 risks to the consumer, taking into account how safeguards the con-

- troller employs can mitigate the risks. In conducting the assessment, the controller shall consider how deidentified data might reduce risks, the reasonable expectations of consumers, the context in which the data is processed and the relationship between the controller and the consumers whose personal data the controller will process.
- (3) The Attorney General may require a controller to provide to the 6 Attorney General any data protection assessments the controller has 7 conducted if the data protection assessment is relevant to an investi-8 gation the Attorney General conducts under section 9 of this 2023 Act. 9 The Attorney General may evaluate a data protection assessment for 10 the controller's compliance with the requirements of section 1 to 10 11 12 of this 2023 Act. If a data protection assessment the Attorney General obtains under this subsection includes information that is subject to 13 attorney-client privilege or is work product that is subject to a privi-14 lege, the controller's provision of the data protection assessment does 15 not waive the privilege. 16
 - (4) A data protection assessment that a controller conducts to comply with another applicable law or regulation satisfies the requirements of this section if the data protection assessment is reasonably similar in scope and effect to a data protection assessment conducted under this section.

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- 22 (5) Requirements that apply to a data protection assessment under 23 this section apply only to processing activities that occur on and after 24 July 1, 2024, and are not retroactive.
- 25 (6) A controller shall retain for at least five years all data pro-26 tection assessments the controller conducts under this section.
- SECTION 9. (1)(a) The Attorney General may serve an investigative demand upon any person that possesses, controls or has custody of any information, document or other material that the Attorney General determines is relevant to an investigation of a violation of sections 1 to 10 of this 2023 Act or that could lead to a discovery of relevant in-

- 1 formation. An investigative demand may require the person to:
- 2 (A) Appear and testify under oath at the time and place specified in the investigative demand;
 - (B) Answer written interrogatories; or

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- 5 (C) Produce relevant documents or physical evidence for examina-6 tion at the time and place specified in the investigative demand.
 - (b) The Attorney General shall serve an investigative demand under this section in the manner provided in ORS 646.622. The Attorney General may enforce the investigative demand as provided in ORS 646.626.
 - (2)(a) An attorney may accompany, represent and advise in confidence a person that appears in response to a demand under subsection (1)(a)(A) of this section. The person may refuse to answer any question on constitutional grounds or on the basis of any other legal right or privilege, including protection against self-incrimination, but must answer any other question that is not subject to the right or privilege. If the person refuses to answer a question on grounds that the answer would be self-incriminating, the Attorney General may compel the person to testify as provided in ORS 136.617.
 - (b) The Attorney General shall exclude from the place in which the Attorney General conducts an examination under this subsection all persons other than the person the Attorney General is examining, the person's attorney, the officer before which the person gives the testimony and any stenographer recording the testimony.
- (3)(a) The Attorney General shall hold in confidence and not disclose to any person any documents, including data protection assessments, answers to interrogatories and transcripts of oral testimony, except that the Attorney General may disclose the documents to:
 - (A) The person that provided the documents or the oral testimony;
- 30 **(B)** The attorney or representative of the person that provided the documents or oral testimony;

1 (C) Employees of the Attorney General; or

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- (D) An official of the United States or of any state who is author-2 ized to enforce federal or state consumer protection laws if the At-3 torney General first obtains a written agreement from the official in which the official agrees to abide by the confidentiality requirements 5 of this subsection. 6
 - (b)(A) The Attorney General may use any of the materials described in paragraph (a) of this subsection in any investigation the Attorney General conducts under this section or in any action or proceeding the Attorney General brings or initiates in a court or before an administrative agency in connection with the investigation.
 - (B) Notwithstanding the prohibition against disclosure in paragraph (a) of this subsection, the Attorney General may disclose a document to a committee of the Legislative Assembly in any manner and for any purpose the Attorney General deems appropriate.
 - (4)(a) The Attorney General may bring an action to seek a civil penalty of not more than \$7,500 for each violation of sections 1 to 10 of this 2023 Act or to enjoin a violation or obtain other equitable relief. The Attorney General shall bring the action in the circuit court for Multnomah County or the circuit court of a county where any part of the violation occurred.
- (b) If a court finds that a director, member, officer, employee or 22 agent of a controller violated sections 1 to 10 of this 2023 Act through an act or omission, the court may find that the controller committed the violation or the court may find that both the controller and the director, member, officer, employee or agent committed the violation and may impose separate civil penalties on each.
- (c) A court may award reasonable attorney fees, expert witness fees 28 and costs of investigation to the Attorney General if the Attorney 29 General prevails in an action under this subsection. The court may 30 award reasonable attorney fees to a defendant that prevails in an 31

- action under this subsection if the court finds that the Attorney General had no objectively reasonable basis for asserting the claim or for appealing an adverse decision of the trial court.
 - (d) The Attorney General shall deposit the proceeds of any recovery under this subsection into the Department of Justice Protection and Education Revolving Account, as provided in ORS 180.095.
- (5) Before bringing an action under subsection (4) of this section, the Attorney General shall notify a controller of a violation of sections 1 to 10 of this 2023 Act if the Attorney General determines that the controller can cure the violation. If the controller fails to cure the violation within 30 days after receiving the notice of the violation, the Attorney General may bring the action without further notice.
- 13 (6) The Attorney General shall bring an action under subsection (4)
 14 of this section within five years after the date of the last act of a
 15 controller that constituted the violation for which the Attorney Gen16 eral seeks relief.
- (7) The remedies available to the Attorney General under subsection
 (4) of this section are in addition to and not in lieu of any other relief
 available to the Attorney General or another person under other applicable provisions of law. A claim available under another provision
 of law may be joined to the Attorney General's claim under subsection
 (4) of this section.
- SECTION 10. (1)(a) A consumer or a class of consumers that suffers an ascertainable loss of money or property as a result of a controller's violation of sections 1 to 10 of this 2023 Act may bring an action in a circuit court of this state.
- 27 (b) A court may award a prevailing plaintiff in an action under 28 paragraph (a) of this subsection:
- 29 (A) Compensatory damages;

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- 30 (B) Injunctive or declaratory relief; and
- 31 (C) Reasonable attorney fees and costs.

- 1 (2) A consumer or class of consumers that brings an action under subsection (1) of this section shall mail a copy of the complaint or 2 initial pleading to the Attorney General upon bringing the action and 3 shall mail to the Attorney General a copy of any judgment the consumer or class of consumers obtains. A consumer's failure to mail a 5 copy of the complaint is not a jurisdictional defect, but the court may 6 not enter judgment for the plaintiff until the plaintiff files proof of 7 mailing with the court. An affidavit or return receipt is adequate proof 8 of mailing. 9
 - (3) A plaintiff shall commence an action under subsection (1) of this section within two years after the plaintiff discovers or, with an exercise of reasonable care, should have discovered an ascertainable loss of money or property.
 - (4) A plaintiff may bring an action under this section only for a controller's violation of section 3, 4 or 5 of this 2023 Act.
- SECTION 11. ORS 180.095 is amended to read:

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- 180.095. (1) The Department of Justice Protection and Education Revolving Account is created in the General Fund. All moneys in the account are continuously appropriated to the Department of Justice and may be used to pay for only the following activities:
- (a) Restitution and refunds in proceedings described in paragraph (c) of this subsection;
- 23 (b) Consumer and business education relating to the laws governing 24 antitrust and unlawful trade practices; and
- 25 (c) Personal services, travel, meals, lodging and all other costs and ex-26 penses incurred by the department in investigating, preparing, commencing 27 and prosecuting the following actions and suits, and enforcing judgments, 28 settlements, compromises and assurances of voluntary compliance arising out 29 of the following actions and suits:
- 29 of the following actions and suits.
- 30 (A) Actions and suits under the state and federal antitrust laws;
- 31 (B) Actions and suits under ORS 336.184 and 646.605 to 646.656;

(C) Actions commenced under ORS 59.331; [and] 1

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- (D) Actions and suits under ORS 180.750 to 180.785[.]; and 2
- (E) Actions commenced under section 9 of this 2023 Act. 3
- (2) Moneys in the Department of Justice Protection and Education Re-4 volving Account are not subject to allotment. Upon request of the Attorney 5 General, the State Treasurer shall create subaccounts within the account for 6 the purposes of managing moneys in the account and allocating those moneys 7 to the activities described in subsection (1) of this section.
- (3) Except as otherwise provided by law, all sums of money received by 9 the Department of Justice under a judgment, settlement, compromise or as-10 surance of voluntary compliance, including damages, restitution, refunds, 11 12 attorney fees, costs, disbursements and other recoveries, but excluding civil penalties under ORS 646.642, in proceedings described in subsection (1)(c) of 13 this section shall, upon receipt, be deposited with the State Treasurer to the 14 credit of the Department of Justice Protection and Education Revolving Ac-15 count. However, if the action or suit was based on an expenditure or loss 16 from a public body or a dedicated fund, the amount of such expenditure or 17 loss, after deduction of attorney fees and expenses awarded to the department 18 by the court or agreed to by the parties, if any, shall be credited to the 19 public body or dedicated fund and the remainder thereof credited to the De-20 partment of Justice Protection and Education Revolving Account. 21
 - (4) If the Department of Justice recovers restitution or refunds in a proceeding described in subsection (1)(c) of this section, and the department cannot determine the persons to whom the restitution or refunds should be paid or the amount of the restitution or refund payable to individual claimants is de minimis, the restitution or refunds may not be deposited in the Department of Justice Protection and Education Revolving Account and shall be deposited in the General Fund.
- (5) Before April 1 of each odd-numbered year, the Department of Justice 29 shall report to the Joint Committee on Ways and Means: 30
 - (a) The department's projection of the balance in the Department of Jus-

- 1 tice Protection and Education Revolving Account at the end of the biennium
- 2 in which the report is made and at the end of the following biennium;
- 3 (b) The amount of the balance held for restitution and refunds;
- 4 (c) An estimate of the department's anticipated costs and expenses under
- 5 subsection (1)(b) and (c) of this section for the biennium in which the report
- 6 is made and for the following biennium; and
- 7 (d) Any judgment, settlement, compromise or other recovery, the proceeds
- 8 of which are used for purposes other than:
- 9 (A) For deposit into the Department of Justice Protection and Education
- 10 Revolving Account; or
- 11 (B) For payment of legal costs related to the judgment, settlement, com-
- 12 promise or other recovery.
- 13 (6) The Joint Committee on Ways and Means, after consideration of rec-
- ommendations made by the Department of Justice, shall use the information
- 15 reported under subsection (5) of this section to determine an appropriate
- 16 balance for the revolving account.
- SECTION 12. Section 9 of this 2023 Act is amended to read:
- Sec. 9 (1)(a) The Attorney General may serve an investigative demand
- 19 upon any person that possesses, controls or has custody of any information,
- document or other material that the Attorney General determines is relevant
- 21 to an investigation of a violation of sections 1 to 10 of this 2023 Act or that
- 22 could lead to a discovery of relevant information. An investigative demand
- 23 may require the person to:
- 24 (A) Appear and testify under oath at the time and place specified in the
- 25 investigative demand;
- 26 (B) Answer written interrogatories; or
- 27 (C) Produce relevant documents or physical evidence for examination at
- 28 the time and place specified in the investigative demand.
- 29 (b) The Attorney General shall serve an investigative demand under this
- 30 section in the manner provided in ORS 646.622. The Attorney General may
- 31 enforce the investigative demand as provided in ORS 646.626.

- 1 (2)(a) An attorney may accompany, represent and advise in confidence a person that appears in response to a demand under subsection (1)(a)(A) of 2 this section. The person may refuse to answer any question on constitutional 3 grounds or on the basis of any other legal right or privilege, including protection against self-incrimination, but must answer any other question that is not subject to the right or privilege. If the person refuses to answer a 6 question on grounds that the answer would be self-incriminating, the Attor-7 ney General may compel the person to testify as provided in ORS 136.617. 8
 - (b) The Attorney General shall exclude from the place in which the Attorney General conducts an examination under this subsection all persons other than the person the Attorney General is examining, the person's attorney, the officer before which the person gives the testimony and any stenographer recording the testimony.
- (3)(a) The Attorney General shall hold in confidence and not disclose to 14 any person any documents, including data protection assessments, answers 15 to interrogatories and transcripts of oral testimony, except that the Attorney 16 General may disclose the documents to: 17
- (A) The person that provided the documents or the oral testimony; 18
- (B) The attorney or representative of the person that provided the docu-19 ments or oral testimony; 20
- (C) Employees of the Attorney General; or 21

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- (D) An official of the United States or of any state who is authorized to enforce federal or state consumer protection laws if the Attorney General first obtains a written agreement from the official in which the official agrees to abide by the confidentiality requirements of this subsection.
- 26 (b)(A) The Attorney General may use any of the materials described in paragraph (a) of this subsection in any investigation the Attorney General 27 conducts under this section or in any action or proceeding the Attorney 28 General brings or initiates in a court or before an administrative agency in 29 connection with the investigation.
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 - (B) Notwithstanding the prohibition against disclosure in paragraph (a)

- 1 of this subsection, the Attorney General may disclose a document to a com-
- 2 mittee of the Legislative Assembly in any manner and for any purpose the
- 3 Attorney General deems appropriate.
- 4 (4)(a) The Attorney General may bring an action to seek a civil penalty
- 5 of not more than \$7,500 for each violation of sections 1 to 10 of this 2023
- 6 Act or to enjoin a violation or obtain other equitable relief. The Attorney
- 7 General shall bring the action in the circuit court for Multnomah County
- 8 or the circuit court of a county where any part of the violation occurred.
- 9 (b) If a court finds that a director, member, officer, employee or agent of
- 10 a controller violated sections 1 to 10 of this 2023 Act through an act or
- 11 omission, the court may find that the controller committed the violation or
- 12 the court may find that both the controller and the director, member, officer,
- 13 employee or agent committed the violation and may impose separate civil
- 14 penalties on each.
- 15 (c) A court may award reasonable attorney fees, expert witness fees and
- 16 costs of investigation to the Attorney General if the Attorney General pre-
- 17 vails in an action under this subsection. The court may award reasonable
- 18 attorney fees to a defendant that prevails in an action under this subsection
- 19 if the court finds that the Attorney General had no objectively reasonable
- 20 basis for asserting the claim or for appealing an adverse decision of the trial
- 21 court.

- 22 (d) The Attorney General shall deposit the proceeds of any recovery under
- 23 this subsection into the Department of Justice Protection and Education
- 24 Revolving Account, as provided in ORS 180.095.
- 25 [(5) Before bringing an action under subsection (4) of this section, the At-
- 26 torney General shall notify a controller of a violation of sections 1 to 10 of this
- 27 2023 Act if the Attorney General determines that the controller can cure the
- 28 violation. If the controller fails to cure the violation within 30 days after re-
- 29 ceiving the notice of the violation, the Attorney General may bring the action
- 30 without further notice.]
 - [(6)] (5) The Attorney General shall bring an action under subsection (4)

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1	of this section within five years after the date of the last act of a controller
2	that constituted the violation for which the Attorney General seeks relief.
3	[(7)] (6) The remedies available to the Attorney General under subsection
4	(4) of this section are in addition to and not in lieu of any other relief
5	available to the Attorney General or another person under other applicable
6	provisions of law. A claim available under another provision of law may be
7	joined to the Attorney General's claim under subsection (4) of this section.
8	SECTION 13. (1) Sections 1 to 9 of this 2023 Act and the amend-
9	ments to ORS 180.095 by section 11 of this 2023 Act become operative
10	on July 1, 2024.
11	(2) Section 10 of this 2023 Act becomes operative on January 1, 2026.
12	(3) The amendments to section 9 of this 2023 Act by section 12 of
13	this 2023 Act become operative on January 1, 2025.