

Legislative Fiscal Office

Oregon State Capitol
900 Court Street NE, H-178
Salem, Oregon 97301
503-986-1828



Joint Committee on Ways and Means

Senator Elizabeth Steiner, Senate Co-Chair
Representative Tawna Sanchez, House Co-Chair

Senator Fred Girod, Senate Co-Vice Chair
Representative David Gomberg, House Co-Vice Chair
Representative Greg Smith, House Co-Vice Chair

Amanda Beitel, Legislative Fiscal Officer
Tom MacDonald, Deputy Legislative Fiscal Officer (Budget)
Paul Siebert, Deputy Legislative Fiscal Officer (Audit/IT)

To: Transportation and Economic Development Subcommittee

From: Ben Ruef, Legislative Fiscal Office

Date: May 30, 2023

Subject: HB 2052 – Relating to registration of business entities that qualify as data brokers
Work Session Recommendations

Internet-enabled devices, known as smart devices, gather and share personal information, including browser history, contacts, location, health data, and conversations. Manufacturers of these devices may share the collected information with data brokers, who buy and sell personal data. People are often unaware of whether their personal information is sold and what is included.

House Bill 2052 requires data brokers to register annually with the Department of Consumer and Business Services (DCBS). The measure prohibits data brokers from collecting, selling, or licensing personal data in Oregon without registration. The bill specifies the application process, exemptions, and imposes civil penalties of up to \$500 per violation, with a maximum penalty of \$10,000 per year. The measure declares an emergency and takes effect upon passage.

DCBS will hire one permanent Compliance Specialist 2 (0.88 FTE) and one permanent Program Analyst 2 (0.88 FTE) to implement and staff the program. This includes notifying consumers about their rights using a newly developed webpage which will also make data available to both data brokers and consumers. The existing Nationwide Multi-State Licensing System will be used as the platform for registering data brokers under this measure. Registration fees will be established to fund the administration costs.

The fiscal impact of HB 2052 is \$393,156 Other Funds limitation and 1.76 FTE.

The -A4 amendment adds \$393,156 in Other Funds limitation to the DCBS budget for the 2023-25 biennium.

Recommended Changes

LFO recommends adoption of the –A4 amendment.

MOTION: I move adoption of the –A4 amendment to HB 2052. (VOTE)

Final Subcommittee Action

LFO recommends that HB 2052, as amended by the –A4 amendment, be moved to the Ways and Means Full Committee.

MOTION: I move HB 2052, as amended, to the Full Committee with a do pass recommendation. (VOTE)

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____