AN ACT CONCERNING CONSUMER PRIVACY.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. (NEW) (Effective January 1, 2020) As used in this section and sections 2 to 18, inclusive, of this act:

1. "Aggregate consumer information" means information that relates to a group or category of consumers, from which individual consumer identities have been removed, that is not linked or reasonably linkable to any consumer or household, including via a device. "Aggregate consumer information" does not mean one or more individual consumer records that have been de-identified.

2. "Biometric information" means an individual's physiological, biological or behavioral characteristics, including an individual's deoxyribonucleic acid (DNA), that can be used, singly or in combination with each other or with other identifying data, to establish individual identity. "Biometric information" includes, but is not limited to, imagery of the iris, retina, fingerprint, face, hand, palm,
vein patterns and voice recordings, from which an identifier template, such as a faceprint, a minutiae template or a voiceprint, can be extracted; and keystroke patterns or rhythms, gait patterns or rhythms; and sleep, health or exercise data that contain identifying information.

(3) "Business" means:

(A) A sole proprietorship, partnership, limited liability company, corporation, association or other legal entity that is organized or operated for the profit or financial benefit of its shareholders or other owners, that collects consumers' personal information, or on the behalf of which such information is collected and that alone, or jointly with others, determines the purposes and means of the processing of consumers' personal information, that does business in this state, and that satisfies one or more of the following thresholds:

(i) Has annual gross revenues in excess of twenty-five million dollars, as adjusted pursuant to subsection (a) of section 15 of this act,

(ii) Alone or in combination, annually buys, receives for the business' commercial purposes, sells or shares for commercial purposes, alone or in combination, the personal information of fifty thousand or more consumers, households or devices, or

(iii) Derives fifty per cent or more of its annual revenues from selling consumers' personal information; and

(B) Any entity that controls or is controlled by a business and that shares common branding with the business. "Control" or "controlled" means (i) ownership of, or the power to vote, more than fifty per cent of the outstanding shares of any class of voting security of a business; (ii) control in any manner over the election of a majority of the directors or of individuals exercising similar functions; or (iii) the power to exercise a controlling influence over the management of a company. "Common branding" means a shared name, servicemark or trademark.
(4) "Business purpose" means the use of personal information for the business' or a service provider's operational purposes, or other notified purposes, provided the use of personal information is reasonably necessary and proportionate to achieve the operational purpose for which the personal information was collected or processed or for another operational purpose that is compatible with the context in which the personal information was collected. "Business purposes" include:

(A) Auditing related to a current interaction with the consumer and concurrent transactions, including, but not limited to, counting ad impressions to unique visitors, verifying positioning and quality of ad impressions and auditing compliance with this specification and other standards;

(B) Detecting security incidents, protecting against malicious, deceptive, fraudulent or illegal activity and prosecuting those responsible for that activity;

(C) Debugging to identify and repair errors that impair existing intended functionality;

(D) Short-term, transient use, provided the personal information is not disclosed to another third party and is not used to build a profile about a consumer or otherwise alter an individual consumer's experience outside the current interaction, including, but not limited to, the contextual customization of ads shown as part of the same interaction;

(E) Performing services on behalf of the business or service provider, including maintaining or servicing accounts, providing customer service, processing or fulfilling orders and transactions, verifying customer information, processing payments, providing financing, providing advertising or marketing services, providing analytic services or providing similar services on behalf of the business or service provider;
(F) Undertaking internal research for technological development and demonstration; and

(G) Undertaking activities to verify or maintain the quality or safety of a service or device that is owned, manufactured, manufactured for or controlled by the business, and to improve, upgrade or enhance the service or device that is owned, manufactured, manufactured for or controlled by the business.

(5) "Collects" or "collection" means buying, renting, gathering, obtaining, receiving or accessing any personal information pertaining to a consumer by any means, including, but not limited to, receiving information from the consumer, either actively or passively, or by observing the consumer's behavior.

(6) "Commercial purposes" means to advance a person's commercial or economic interests, such as by inducing another person to buy, rent, lease, join, subscribe to, provide or exchange products, goods, property, information or services, or enabling or effecting, directly or indirectly, a commercial transaction. "Commercial purposes" does not include engaging in speech that state or federal courts have recognized as noncommercial speech, including political speech and journalism.

(7) "Consumer" means a natural person who is a resident of this state.

(8) "De-identified information" means information that cannot reasonably identify, relate to, describe, be capable of being associated with, or be linked, directly or indirectly, to a particular consumer, provided a business that uses de-identified information:

(A) Has implemented technical safeguards that prohibit re-identification of the consumer to whom the information may pertain.

(B) Has implemented business processes that specifically prohibit re-identification of the information.

(C) Has implemented business processes to prevent inadvertent
release of de-identified information.

(D) Makes no attempt to re-identify the information.

(9) "Designated methods for submitting requests" means a mailing address, email address, Internet web page, Internet web portal, toll-free telephone number or other applicable contact information, whereby consumers may submit a request or direction under sections 1 to 18, inclusive, of this act, and any new, consumer-friendly means of contacting a business, as approved by the Commissioner of Consumer Protection pursuant to section 15 of this act.

(10) "Device" means any physical object that is capable of connecting to the Internet, directly or indirectly, or to another device.

(11) "Health insurance information" means a consumer's insurance policy number or subscriber identification number, any unique identifier used by a health insurer to identify the consumer, or any information in the consumer's application and claims history, including any appeals records, if the information is linked or reasonably linkable to a consumer or household, including via a device, by a business or service provider.

(12) "Homepage" means the introductory page of an Internet web site and any Internet web page where personal information is collected. In the case of an online service, such as a mobile application, "homepage" means the application's platform page or download page, a link within the application or settings page, and any other location that allows consumers to review the notice required by subdivision (a) of section 15 of this act, including, but not limited to, before downloading the application.

(13) "Infer" or "inference" means the derivation of information, data, assumptions or conclusions from facts, evidence or another source of information or data.

(14) "Person" means an individual, proprietorship, firm,
partnership, joint venture, syndicate, business trust, company, corporation, limited liability company, association, committee and any other organization or group of persons acting in concert.

(15) (A) "Personal information" means information that identifies, relates to, describes, is capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer or household. "Personal information" includes, but is not limited to, the following:

(i) Identifiers such as a real name, alias, postal address, unique personal identifier, online identifier Internet protocol address, email address, account name, Social Security number, driver's license number, passport number or other similar identifiers.

(ii) Characteristics of protected classifications under state or federal law.

(iii) Commercial information, including records of personal property, products or services purchased, obtained or considered, or other purchasing or consuming histories or tendencies.

(iv) Biometric information.

(v) Internet or other electronic network activity information, including, but not limited to, browsing history, search history and information regarding a consumer's interaction with an Internet web site, application or advertisement.

(vi) Geolocation data.

(vii) Audio, electronic, visual, thermal, olfactory or similar information.

(viii) Professional or employment-related information.

(ix) Education information, defined as information that is not publicly available, personally identifiable information, as defined in
the Family Educational Rights and Privacy Act, 20 USC 1232g, as amended from time to time.

(x) Inferences drawn from any of the information identified in this subparagraph to create a profile about a consumer reflecting the consumer's preferences, characteristics, psychological trends, preferences, predispositions, behavior, attitudes, intelligence, abilities and aptitudes.

(B) "Personal information" does not include publicly available information. As used in this subparagraph, "publicly available" means information that is lawfully made available from federal, state or local government records. "Publicly available" does not mean biometric information collected by a business about a consumer without the consumer's knowledge. Information is not "publicly available" if that data is used for a purpose that is not compatible with the purpose for which the data is maintained and made available in the government records or for which it is publicly maintained. "Publicly available" does not include consumer information that is de-identified or aggregate consumer information.

(16) "Probabilistic identifier" means the identification of a consumer or a device to a degree of certainty of more probable than not, based on any categories of personal information included in, or similar to, the categories enumerated in the definition of personal information.

(17) "Processing" means any operation or set of operations that are performed on personal data or on sets of personal data, whether or not by automated means.

(18) "Pseudonymization" means the processing of personal information in a manner that renders the personal information no longer attributable to a specific consumer without the use of additional information, provided the additional information is kept separately and is subject to technical and organizational measures to ensure that the personal information is not attributed to an identified or identifiable consumer.
(19) "Research" means scientific, systematic study and observation, including, but not limited to, basic research or applied research that is in the public interest and that adheres to all other applicable ethics and privacy laws or studies conducted in the public interest in the area of public health. Research with personal information that may have been collected from a consumer in the course of the consumer's interactions with a business' service or device for other purposes shall be:

(A) Compatible with the business purpose for which the personal information was collected.

(B) Subsequently pseudonymized and de-identified, or de-identified and in the aggregate, such that the information cannot reasonably identify, relate to, describe, be capable of being associated with, or be linked, directly or indirectly, to a particular consumer.

(C) Made subject to technical safeguards that prohibit re-identification of the consumer to whom the information may pertain.

(D) Subject to business processes that specifically prohibit re-identification of the information.

(E) Made subject to business processes to prevent inadvertent release of de-identified information.

(F) Protected from any re-identification attempts.

(G) Used solely for research purposes that are compatible with the context in which the personal information was collected.

(H) Not be used for any commercial purpose.

(I) Subjected by the business conducting the research to additional security controls, limiting access to the research data to only those individuals in a business as are necessary to carry out the research purpose.

(20) "Sell" or "sale"
(A) (i) Means selling, renting, releasing, disclosing, disseminating, making available, transferring or otherwise communicating orally, in writing, or by electronic or other means, a consumer's personal information by the business to another business or a third party for monetary or other valuable consideration.

(ii) Includes the business transfers to a third party of personal information of a consumer as an asset that is part of a merger, acquisition, bankruptcy or other transaction in which the third party assumes control of all or part of the business, provided information is used or shared consistently with sections 4 and 6 of this act. If a third party materially alters how it uses or shares the personal information of a consumer in a manner that is materially inconsistent with the promises made at the time of collection, it shall provide prior notice of the new or changed practice to the consumer. The notice shall be sufficiently prominent to ensure that existing consumers can easily exercise their choices consistently with section 7 of this act. This subparagraph does not authorize a business to make material, retroactive privacy policy changes or make other changes in their privacy policy in a manner that would violate chapter 735a of the general statutes.

(B) For purposes of sections 1 to 18, inclusive, of this act, a business does not sell personal information when:

(i) A consumer uses or directs the business to intentionally disclose personal information or uses the business to intentionally interact with a third party, provided the third party does not also sell the personal information, unless such disclosure would be consistent with the provisions of sections 1 to 18, inclusive, of this act. An intentional interaction occurs when the consumer intends to interact with the third party via one or more deliberate interactions. Hovering over, muting, pausing or closing a given piece of content does not constitute a consumer's intent to interact with a third party.

(ii) The business uses or shares an identifier for a consumer, who
has opted out of the sale of the consumer's personal information, for
the purposes of alerting third parties that the consumer has opted out
of the sale of the consumer's personal information.

(iii) The business uses or shares with a service provider personal
information of a consumer that is necessary to perform a business
purpose, provided the service provider also does not sell the personal
information.

(iv) The business has provided notice that information being used or
shared in its terms and conditions are consistent with section 9 of this
act.

(v) The service provider does not further collect, sell or use the
personal information of the consumer, except as necessary to perform
the business purpose.

(21) "Service" or "services" means work, labor and services,
including services furnished in connection with the sale or repair of
goods.

(22) "Service provider" means a sole proprietorship, partnership,
limited liability company, corporation, association or other legal entity
that is organized or operated for the profit or financial benefit of its
shareholders or other owners, that processes information on behalf of a
business and to which the business discloses a consumer's personal
information for a business purpose pursuant to a written contract,
provided the contract prohibits the entity receiving the information
from retaining, using or disclosing the personal information for any
purpose other than for the specific purpose of performing the services
specified in the contract for the business, or as otherwise permitted by
sections 1 to 18, inclusive, of this act, including retaining, using or
disclosing the personal information for a commercial purpose other
than providing the services specified in the contract with the business.

(23) "Third party" means a person who is not any of the following:
(A) The business that collects personal information from consumers under sections 1 to 18, inclusive, of this act.

(B) A person to whom the business discloses a consumer's personal information for a business purpose pursuant to a written contract, provided the contract:

(i) Prohibits the person receiving the personal information from:

(I) Selling the personal information.

(II) Retaining, using or disclosing the personal information for any purpose other than for the specific purpose of performing the services specified in the contract, including retaining, using or disclosing the personal information for a commercial purpose other than providing the services specified in the contract.

(III) Retaining, using or disclosing the information outside of the direct business relationship between the person and the business.

(ii) Includes a certification made by the person receiving the personal information that the person understands the restrictions in subparagraph (B)(i) of this subdivision and will comply with them.

(24) "Unique identifier" or "unique personal identifier" means a consistent identifier that can be used to recognize a consumer, a family or a device that is linked to a consumer or family, over time and across different services, including, but not limited to, (A) a device identifier; (B) an Internet protocol address; (C) cookies, beacons, pixel tags, mobile ad identifiers or similar technology; (D) customer number, unique pseudonym or user alias; (E) telephone numbers; or (F) other forms of persistent or probabilistic identifiers that can be used to identify a particular consumer or device. For purposes of this subdivision, "family" means a custodial parent or guardian and any minor children over which the parent or guardian has custody.

(25) "Verifiable consumer request" means a request that is made by a (A) consumer, (B) consumer on behalf of the consumer's minor child,
or (C) natural person or a person registered with the Secretary of the State, authorized by the consumer to act on the consumer's behalf, and that the business can reasonably verify, pursuant to regulations adopted by the Commissioner of Consumer Protection pursuant to section 15 of this act, to be the consumer about whom the business has collected personal information. A business is not obligated to provide information to the consumer pursuant to sections 4 and 6 of this act if the business cannot verify, pursuant this subdivision and such regulations, that the consumer making the request is the consumer about whom the business has collected information or is a person authorized by the consumer to act on such consumer's behalf.

Sec. 2. (NEW) (Effective January 1, 2020) (a) A consumer has the right to request that a business that collects a consumer's personal information disclose to such consumer the categories and specific pieces of personal information the business has collected.

(b) A business that collects a consumer's personal information shall, at or before the point of collection, inform consumers as to the categories of personal information to be collected and the purposes for which the categories of personal information shall be used. A business shall not collect additional categories of personal information or use personal information collected for additional purposes without providing the consumer with notice consistent with this section.

(c) A business shall provide the information specified in subsection (a) of this section to a consumer only upon receipt of a verifiable consumer request.

(d) A business that receives a verifiable consumer request from a consumer to access personal information shall promptly take steps to disclose and deliver, free of charge to the consumer, the personal information required by this section. The information may be delivered by mail or electronically, and, if provided electronically, the information shall be in a portable and, to the extent technically feasible, in a readily useable format that allows the consumer to
transmit this information to another entity without hindrance. A business may provide personal information to a consumer at any time, but shall not be required to provide personal information to a consumer more than twice in a twelve-month period.

Sec. 3. (NEW) (Effective January 1, 2020) (a) A consumer has the right to request that a business delete any personal information about the consumer which the business has collected from the consumer.

(b) A business that collects personal information about consumers shall disclose, pursuant to subsection (a) of section 9 of this act, the consumer's right to request the deletion of the consumer's personal information.

(c) A business that receives a verifiable request from a consumer to delete the consumer's personal information pursuant to subsection (a) of this section shall delete the consumer's personal information from its records and direct any service providers to delete the consumer's personal information from their records.

(d) A business or a service provider shall not be required to comply with a consumer's request to delete the consumer's personal information if it is necessary for the business or service provider to maintain the consumer's personal information in order to:

(1) Complete the transaction for which the personal information was collected, provide a good or service requested by the consumer or reasonably anticipated within the context of a business ongoing business relationship with the consumer, or otherwise perform a contract between the business and the consumer;

(2) Detect security incidents, protect against malicious, deceptive, fraudulent or illegal activity or prosecute those responsible for such activity;

(3) Debug to identify and repair errors that impair existing intended functionality;

(4) Exercise free speech, or other rights guaranteed to the business by the First Amendment to the United States Constitution.
(4) Exercise free speech, ensure the right of another consumer to exercise his or her right of free speech, or exercise another right provided for by law;

(5) Engage in public or peer-reviewed scientific, historical or statistical research in the public interest that adheres to all other applicable ethics and privacy laws, when the businesses' deletion of the information is likely to render impossible or seriously impair the achievement of such research, if the consumer has provided informed consent;

(6) To enable solely internal uses that are reasonably aligned with the expectations of the consumer based on the consumer's relationship with the business;

(7) Comply with a legal obligation; or

(8) Otherwise use the consumer's personal information, internally, in a lawful manner that is compatible with the context in which the consumer provided the information.

Sec. 4. (NEW) (Effective January 1, 2020) (a) A consumer has the right to request that a business that collects personal information about the consumer disclose to the consumer the following:

(1) The categories of personal information it has collected about that consumer;

(2) The categories of sources from which the personal information is collected;

(3) The business or commercial purpose for collecting or selling personal information;

(4) The categories of third parties with whom the business shares personal information; and

(5) The specific pieces of personal information it has collected about
that consumer.

(b) A business that collects personal information about a consumer shall disclose to the consumer the information specified in subsection (a) of this section upon receipt of a verifiable request from the consumer.

(c) In complying with this section, a business shall:

(1) Identify the consumer, associate the information provided by the consumer in the verifiable request to any personal information previously collected by the business about the consumer.

(2) Identify by category or categories the personal information collected about the consumer in the preceding twelve months by reference to the enumerated category or categories of personal information that most closely describes the personal information collected.

Sec. 5. (NEW) (Effective January 1, 2020) Sections 2 and 3 of this act shall not be construed to require a business to do the following:

(1) Retain any personal information about a consumer collected for a single, one-time transaction if, in the ordinary course of business, that information about the consumer is not retained; or

(2) Re-identify or otherwise link any data that, in the ordinary course of business, is not maintained in a manner that would be considered personal information.

Sec. 6. (NEW) (Effective January 1, 2020) (a) A consumer shall have the right to request that a business that sells the consumer's personal information, or that discloses it for a business purpose, disclose to that consumer:

(1) The categories of personal information that the business collected about the consumer.
(2) The categories of personal information about the consumer that
the business sold and the categories of third parties to whom the
personal information was sold, by category or categories of personal
information for each third party to whom the personal information
was sold.

(3) The categories of personal information about the consumer that
the business disclosed for a business purpose.

(b) A business that sells personal information about a consumer, or
that discloses a consumer's personal information for a business
purpose, shall disclose, pursuant to section 9 of this act, the
information specified in subsection (a) of this section to the consumer
upon receipt of a verifiable request from the consumer.

(c) A business that sells consumers' personal information, or that
discloses consumers' personal information for a business purpose,
shall disclose, pursuant to section 9 of this act:

(1) The category or categories of consumers' personal information it
has sold, if applicable, or, if the business has not sold consumers'
personal information, a statement to such effect.

(2) The category or categories of consumers' personal information it
has disclosed for a business purpose, if applicable, or, if the business
has not disclosed the consumers' personal information for a business
purpose, a statement to such effect.

(d) In complying with the provisions of this section, a business shall:

(1) Identify the consumer and associate the information provided by
the consumer in the verifiable request to any personal information
previously collected by the business about the consumer.

(2) Identify by category or categories the personal information of the
consumer that the business sold in the preceding twelve months by
reference to the enumerated category in the definition of personal
information that most closely describes the personal information, and
provide the categories of third parties to whom the consumer's personal information was sold in the preceding twelve months by reference to such enumerated categories that most closely describes the personal information sold. The business shall disclose the information in a list that is separate from a list generated for the purposes of subdivision (1) of this subsection.

(3) Identify by category or categories the personal information of the consumer that the business disclosed for a business purpose in the preceding twelve months by reference to the enumerated category or categories of personal information that most closely describes the personal information, and provide the categories of third parties to whom the consumer's personal information was disclosed for a business purpose in the preceding twelve months by reference to the enumerated category or categories that most closely describes the personal information disclosed. The business shall disclose the information in a list that is separate from a list generated for the purposes of subdivision (2) of this subsection.

(e) A third party shall not sell personal information about a consumer that has been sold to the third party by a business unless the consumer has received explicit notice and is provided an opportunity to exercise the right to opt out pursuant to section 7 of this act.

Sec. 7. (NEW) (Effective January 1, 2020) (a) A consumer has the right, at any time, to opt out or direct a business that sells personal information about the consumer to third parties not to sell the consumer's personal information.

(b) A business that sells consumers' personal information to third parties shall provide notice to consumers, pursuant to subsection (a) of section 10 of this act, that this information may be sold and that consumers have the right to opt out of the sale of their personal information.

(c) A business that has received direction from a consumer not to sell the consumer's personal information or, in the case of a minor
consumer's personal information, has not received consent to sell the
minor consumer's personal information, shall be prohibited, pursuant
to subdivision (4) of subsection (a) of section 10 of this act, from selling
the consumer's personal information after its receipt of the consumer's
direction, unless the consumer subsequently provides express
authorization for the sale of the consumer's personal information.

(d) A business shall not sell the personal information of consumers
if the business has actual knowledge that the consumer is less than
sixteen years of age, unless the consumer, in the case of consumers
between thirteen and sixteen years of age, or the consumer's parent or
guardian, in the case of consumers who are less than thirteen years of
age, has affirmatively authorized the sale of the consumer's personal
information. A business that willfully disregards the consumer's age
shall be deemed to have had actual knowledge of the consumer's age.

Sec. 8. (NEW) (Effective January 1, 2020) (a) (1) A business shall not
discriminate against a consumer because the consumer exercised any
of the consumer's rights under sections 1 to 18, inclusive, of this act,
including, but not limited to:

(A) Denying goods or services to the consumer.

(B) Charging different prices or rates for goods or services,
including through the use of discounts or other benefits or imposing
penalties.

(C) Providing a different level or quality of goods or services to the
consumer, if the consumer exercises the consumer's rights under
sections 1 to 18, inclusive, of this act.

(D) Suggesting that the consumer will receive a different price or
rate for goods or services or a different level or quality of goods or
services.

(2) Nothing in this subsection prohibits a business from charging a
consumer a different price or rate, or from providing a different level
or quality of goods or services to the consumer, if that difference is reasonably related to the value provided to the consumer by the consumer's data.

(b) (1) A business may offer financial incentives, including payments to consumers as compensation, for the collection of personal information, the sale of personal information or the deletion of personal information. A business may also offer a different price, rate, level or quality of goods or services to the consumer if that price or difference is directly related to the value provided to the consumer by the consumer's data.

(2) A business that offers any financial incentives pursuant to subsection (a) of this section shall notify consumers of the financial incentives pursuant to section 9 of this act.

(3) A business may enter a consumer into a financial incentive program only if (A) the consumer gives the business prior consent pursuant to section 9 of this act, (B) the business clearly describes the material terms of the financial incentive program, and (C) the consumer may revoke the financial incentive program at any time.

(4) A business shall not use financial incentive practices that are unjust, unreasonable, coercive or usurious in nature.

Sec. 9. (NEW) (Effective January 1, 2020) (a) In order to comply with sections 2 to 4, inclusive, 6 and 8, of this act, in a form that is reasonably accessible to consumers, a business shall:

(1) Make available to consumers two or more designated methods for submitting requests for information required to be disclosed pursuant to sections 4 and 6 of this act, including, at a minimum, a toll-free telephone number, and, if the business maintains an Internet web site, an Internet web site address.

(2) Disclose and deliver the required information to a consumer free of charge not later than forty-five days after receiving a verifiable
request from the consumer. The business shall promptly take steps to
determine whether the request is a verifiable request, but this shall not
extend the business' duty to disclose and deliver the information
within forty-five days of receipt of the consumer's request. The time
period to provide the required information may be extended once by
an additional forty-five days when reasonably necessary, provided the
consumer is provided notice of the extension within the first forty-five-
day period. The disclosure shall cover the twelve-month period
preceding the business' receipt of the verifiable request and shall be
made in writing and delivered through the consumer's account with
the business, if the consumer maintains an account with the business,
or by mail or electronically at the consumer's option if the consumer
does not maintain an account with the business, in a readily useable
format that allows the consumer to transmit this information from one
entity to another entity without hindrance. The business shall not
require the consumer to create an account with the business in order to
make a verifiable request.

(3) Disclose the following information in its online privacy policy or
policies if the business has an online privacy policy or policies and in
any state-specific description of consumers' privacy rights, or, if the
business does not maintain those policies, on its Internet web site, and
update that information at least once every twelve months:

(A) A description of a consumer's rights pursuant to sections 4, 6
and 8 of this act and one or more designated methods for submitting
requests.

(B) For purposes of subsection (b) of section 4 of this act, a list of the
categories of personal information it has collected about consumers in
the preceding twelve months by reference to the category or categories
enumerated in subsection (a) of section 4 of this act that most closely
describe the personal information collected.

(C) For purposes of subsection (c) of section 6 of this act, two
separate lists:
(i) A list of the categories of personal information it has sold about consumers in the preceding twelve months by reference to the category or categories enumerated in subsection (c) of section 6 of this act that most closely describe the personal information sold, if applicable, or, if the business has not sold consumers' personal information in the preceding twelve months, a statement to such effect.

(ii) A list of the categories of personal information it has disclosed about consumers for a business purpose in the preceding twelve months by reference to the category enumerated in subsection (c) of section 6 of this act that most closely describe the personal information disclosed, if applicable, or, if the business has not disclosed consumers' personal information for a business purpose in the preceding twelve months, a statement to such effect.

(4) Ensure that all individuals responsible for handling consumer inquiries about the business' privacy practices or the business' compliance with sections 1 to 18, inclusive, of this act are informed of all requirements in this section and sections 4, 6 and 8 of this act, and how to direct consumers to exercise their rights under those sections.

(5) Use any personal information collected from the consumer in connection with the business' verification of the consumer's request solely for the purposes of verification.

(b) A business is not obligated to provide the information required by sections 4 and 6 of this act to the same consumer more than twice in a twelve-month period.

(c) The categories of personal information required to be disclosed pursuant to sections 4 and 6 of this act shall follow the definition of personal information.

Sec. 10. (NEW) (Effective January 1, 2020) (a) A business that is required to comply with section 7 of this act shall, in a form that is reasonably accessible to consumers:
(1) Provide a clear and conspicuous link on the business' Internet homepage, titled "Do Not Sell My Personal Information", to an Internet web page that enables a consumer, or a person authorized by the consumer, to opt out of the sale of the consumer's personal information. A business shall not require a consumer to create an account in order to direct the business not to sell the consumer's personal information.

(2) Include a description of a consumer's rights pursuant to section 7 of this act, along with a separate link to the "Do Not Sell My Personal Information" Internet web page in:

(A) Its online privacy policy or policies if the business has an online privacy policy or policies; and

(B) Any Connecticut-specific description of consumers' privacy rights.

(3) Ensure that all individuals responsible for handling consumer inquiries about the business' privacy practices or the business' compliance with sections 1 to 18, inclusive, of this act are informed of all requirements in this section and section 7 of this act and how to direct consumers to exercise their rights under those sections.

(4) For consumers who exercise their right to opt out of the sale of their personal information, refrain from selling personal information collected by the business about the consumer.

(5) For a consumer who has opted out of the sale of the consumer's personal information, respect the consumer's decision to opt out for at least twelve months before requesting that the consumer authorize the sale of the consumer's personal information.

(6) Use any personal information collected from the consumer in connection with the submission of the consumer's opt-out request solely for the purposes of complying with the opt-out request.

(b) Nothing in sections 1 to 18, inclusive, of this act shall be
construed to require a business to comply by including the required
links and text on the homepage that the business makes available to
the public generally, if the business maintains a separate and
additional homepage that is dedicated to consumers in this state and
that includes the required links and text, and the business takes
reasonable steps to ensure that consumers in this state are directed to
the homepage for consumers in this state and not the homepage made
available to the public generally.

(c) A consumer may authorize another person solely to opt out of
the sale of the consumer's personal information on the consumer's
behalf, and a business shall comply with an opt out request received
from a person authorized by the consumer to act on the consumer's
behalf, pursuant to regulations adopted by the Department of
Consumer Protection under section 15 of this act.

Sec. 11. (NEW) (Effective January 1, 2020) (a) The obligations imposed
on businesses by sections 1 to 18, inclusive, of this act shall not restrict
a business' ability to:

(1) Comply with federal, state or local laws.

(2) Comply with a civil, criminal or regulatory inquiry,
investigation, subpoena or summons by federal, state or local
authorities.

(3) Cooperate with law enforcement agencies concerning conduct or
activity that the business, service provider or third party reasonably
and in good faith believes may violate federal, state or local law.

(4) Exercise or defend legal claims.

(5) Collect, use, retain, sell or disclose consumer information that is
de-identified or in the aggregate consumer information.

(6) Collect or sell a consumer's personal information if every aspect
of that commercial conduct takes place wholly outside of the state. For
purposes of sections 1 to 18, inclusive, of this act, commercial conduct

takes place wholly outside of the state if the business collected that information while the consumer was outside of the state, no part of the sale of the consumer's personal information occurred in the state and no personal information was collected while the consumer was in the state is sold. This subdivision shall not permit a business from storing, including on a device, personal information about a consumer when the consumer is in the state and then collecting that personal information when the consumer and stored personal information is outside of the state.

(b) The obligations imposed on businesses by sections 1 to 18, inclusive, of this act shall not apply where compliance by the business would violate an evidentiary privilege under state law and shall not prevent a business from providing the personal information of a consumer to a person covered by an evidentiary privilege under state law as part of a privileged communication.

(c) The provisions of sections 1 to 18, inclusive, of this act shall not apply to protected health information that is collected by a covered entity governed by the privacy, security and breach notification rules issued by the federal Department of Health and Human Services, 45 CFR Parts 160 and 164, as amended from time to time, established pursuant to the Health Insurance Portability and Availability Act of 1996, as amended from time to time. For purposes of this subsection, the definitions of "protected health information" and "covered entity" from the federal privacy rule shall apply.

(d) Sections 1 to 18, inclusive, of this act shall not apply to the sale of personal information to or from a consumer reporting agency if that information is to be reported in, or used to generate, a consumer report, as defined by 15 USC 1681a(d), as amended from time to time, and use of that information is limited by the federal Fair Credit Reporting Act, 15 USC 1681 et seq., as amended from time to time.

(e) Sections 1 to 18, inclusive, of this act shall not apply to personal information collected, processed, sold or disclosed pursuant to the
federal Gramm-Leach-Bliley Act, and implementing regulations, as amended from time to time, if it is in conflict with that law.

(f) Sections 1 to 18, inclusive, of this act shall not apply to personal information collected, processed, sold or disclosed pursuant to the Driver's Privacy Protection Act of 1994, 18 USC 2721 et seq., as amended from time to time, if it is in conflict with that act.

(g) Notwithstanding a business' obligations to respond to and honor consumer rights requests pursuant to sections 1 to 18, inclusive, of this act:

(1) A time period for a business to respond to any verified consumer request may be extended by up to ninety additional days where necessary, taking into account the complexity and number of the requests. The business shall inform the consumer of any such extension within forty-five days of receipt of the request, together with the reasons for the delay.

(2) If the business does not take action on the request of the consumer, the business shall inform the consumer, without delay and at the latest within the time period permitted of response by this section, of the reasons for not taking action and any rights the consumer may have to appeal the decision to the business.

(3) If requests from a consumer are manifestly unfounded or excessive, in particular because of their repetitive character, a business may either charge a reasonable fee, taking into account the administrative costs of providing the information or communication or taking the action requested, or refuse to act on the request and notify the consumer of the reason for refusing the request. The business shall bear the burden of demonstrating that any verified consumer request is manifestly unfounded or excessive.

(h) A business that discloses personal information to a service provider shall not be liable under sections 1 to 18, inclusive, of this act if the service provider receiving the personal information uses it in
violation of the restrictions set forth in sections 1 to 18, inclusive, of this act, provided, at the time of disclosing the personal information, the business does not have actual knowledge, or reason to believe, that the service provider intends to commit such a violation. A service provider shall likewise not be liable under sections 1 to 18, inclusive, of this act for the obligations of a business for which it provides services as set forth in sections 1 to 18, inclusive, of this act.

(i) Sections 1 to 18, inclusive, of this act shall not be construed to require a business to re-identify or otherwise link information that is not maintained in a manner that would be considered personal information.

(j) The rights afforded to consumers and the obligations imposed on the business in sections 1 to 18, inclusive, of this act shall not adversely affect the rights and freedoms of other consumers.

Sec. 12. (NEW) (Effective January 1, 2020) (a) Any consumer whose nonencrypted or nonredacted personal information is subject to an unauthorized access and exfiltration, theft or disclosure as a result of the business' violation of the duty to implement and maintain reasonable security procedures and practices appropriate to the nature of the information to protect the personal information may institute a civil action for any of the following: (1) To recover damages in an amount not less than one hundred dollars and not greater than seven hundred fifty dollars, per consumer, per incident or actual damages, whichever is greater; (2) injunctive or declaratory relief; or (3) any other relief the court deems proper.

(b) In assessing the amount of statutory damages, the court shall consider any one or more of the relevant circumstances presented by any of the parties to the case, including, but not limited to, the nature and seriousness of the misconduct, the number of violations, the persistence of the misconduct, the length of time over which the misconduct occurred, the willfulness of the defendant's misconduct and the defendant's assets, liabilities and net worth.
(c) Actions pursuant to this section may be brought by a consumer if all of the following requirements are met:

(1) Prior to initiating any action against a business for statutory damages on an individual or class-wide basis, a consumer shall provide a business thirty days' written notice identifying the specific provisions of sections 1 to 18, inclusive, of this act the consumer alleges have been or are being violated. In the event a remedy is possible, if within the thirty days the business actually remedies the noticed violation and provides the consumer an express written statement that the violations have been remedied and that no further violations shall occur, no action for individual statutory damages or class-wide statutory damages may be initiated against the business. No notice shall be required prior to an individual consumer initiating an action solely for actual pecuniary damages suffered as a result of the alleged violations of sections 1 to 18, inclusive, of this act. If a business continues to violate sections 1 to 18, inclusive, of this act in breach of the express written statement provided to the consumer under this section, the consumer may initiate an action against the business to enforce the written statement and may pursue statutory damages for each breach of the express written statement, as well as any other violation of sections 1 to 18, inclusive, of this act that postdates the written statement.

(2) A consumer bringing an action as defined in subdivision (1) of this subsection shall notify the Attorney General within thirty days that the action has been filed.

(3) The Attorney General, upon receiving such notice shall, within thirty days, do one of the following: (A) Notify the consumer bringing the action of the Attorney General's intent to prosecute an action against the violation, provided, if the Attorney General does not prosecute within six months, the consumer may proceed with the action; (B) refrain from acting within the thirty-day period, allowing the consumer bringing the action to proceed; or (C) notify the consumer bringing the action that the consumer shall not proceed with
the action.

(d) Nothing in sections 1 to 18, inclusive, of this act shall be interpreted to serve as the basis for a private right of action under any other law. This shall not be construed to relieve any party from any duties or obligations imposed under federal or state law or the federal or state Constitution.

Sec. 13. (NEW) (Effective January 1, 2020) (a) Notwithstanding the provisions of section 3-125 of the general statutes, any business or third party may seek the opinion of the Attorney General for guidance on how to comply with the provisions of sections 1 to 18, inclusive, of this act.

(b) A business shall be in violation of the provisions of sections 1 to 18, inclusive, of this act if it fails to remedy any alleged violation within thirty days after being notified of alleged noncompliance. Any business, service provider or other person that violates sections 1 to 18, inclusive, of this act shall be liable for a civil penalty in a civil action brought in the name of the people of the state by the Attorney General. The civil penalties provided for in this section shall be exclusively assessed and recovered in a civil action brought in the name of the people of the state by the Attorney General.

(c) Any person, business or service provider that intentionally violates sections 1 to 18, inclusive, of this act may be liable for a civil penalty of up to seven thousand five hundred dollars for each violation.

(d) Any civil penalty assessed pursuant to this section for a violation of sections 1 to 18, inclusive, of this act, and the proceeds of any settlement of an action brought pursuant to subsection (b) of this section, shall be allocated as follows:

(1) Twenty per cent to the consumer privacy account, established under section 13 of this act, with the intent to fully offset any costs incurred by the state courts and the Attorney General in connection
with sections 1 to 18, inclusive, of this act.

(2) Eighty per cent to the jurisdiction on whose behalf the action leading to the civil penalty was brought.

(e) The percentages specified in subsection (d) of this section shall be adjusted as necessary to ensure that any civil penalties assessed for a violation of sections 1 to 18, inclusive, of this act fully offset any costs incurred by the state courts and the Attorney General in connection with sections 1 to 18, inclusive, of this act, including a sufficient amount to cover any deficit from a prior fiscal year.

Sec. 14. (NEW) (Effective January 1, 2020) (a) There is established an account to be known as the "consumer privacy account" which shall be a separate, nonlapsing account within the General Fund. The account shall contain any moneys required by law to be deposited in the account. Moneys in the account shall be expended by (1) the Chief Court Administrator for the purposes of offsetting any costs incurred by the state courts in connection with actions brought to enforce sections 1 to 18, inclusive, of this act, and (2) the Attorney General for the purpose of offsetting any costs incurred by the Attorney General in carrying out the Attorney General's duties under sections 1 to 18, inclusive, of this act.

(b) Funds transferred to the consumer privacy account shall not be subject to appropriation or transfer by the General Assembly for any other purpose, unless the Secretary of the Office of Policy and Management determines that the funds are in excess of the funding needed to fully offset the costs incurred by the state courts and the Attorney General in connection with sections 1 to 18, inclusive, of this act, in which case the General Assembly may appropriate excess funds for other purposes.

Sec. 15. (NEW) (Effective January 1, 2020) (a) The provisions of sections 1 to 18, inclusive, of this act are not limited to information collected electronically or over the Internet, but apply to the collection and sale of all personal information collected by a business from
consumers. Wherever possible, existing provisions of the general statutes relating to consumers' personal information should be construed to harmonize with the provisions of sections 1 to 18, inclusive, of this act, but, in the event of a conflict between other provisions of the general statutes and the provisions of sections 1 to 18, inclusive, of this act, the provisions of the law that afford the greatest protection for the right of privacy for consumers shall control.

(b) Sections 1 to 18, inclusive, of this act supersede and preempt all rules, regulations, codes, ordinances and other laws adopted by a city, county, city and county, municipality or local agency regarding the collection and sale of consumers' personal information by a business.

(c) Sections 1 to 18, inclusive, of this act supplement federal and state law, if permissible, but shall not apply if such application is preempted by, or in conflict with, federal and state law or the state Constitution.

Sec. 16. (NEW) (Effective January 1, 2020) (a) On or before January 1, 2020, the Commissioner of Consumer Protection, in consultation with the Chief Information Officer, shall adopt regulations in accordance with the provisions of chapter 54 of the general statutes to further the purposes of sections 1 to 18, inclusive, of this act, including, but not limited to, the following areas:

(1) Updating, as needed, categories of personal information in addition to those enumerated in subdivision (15) of section 1 of this act and section 9 of this act in order to address changes in technology, data collection practices, obstacles to implementation and privacy concerns.

(2) Updating, as needed, the definition of unique identifiers to address changes in technology, data collection, obstacles to implementation and privacy concerns, and additional categories to the definition of designated methods for submitting requests to facilitate a consumer's ability to obtain information from a business pursuant to section 9 of this act.
(3) Establishing any exceptions necessary to comply with state or federal law, including, but not limited to, those relating to trade secrets and intellectual property rights, not later than January 1, 2021, and as needed thereafter.

(4) Establishing rules and procedures for the following, not later than January 1, 2021, and as needed thereafter:

   (A) To facilitate and govern the submission of a request by a consumer to opt out of the sale of personal information pursuant to section 10 of this act.

   (B) To govern business compliance with a consumer's opt-out request.

   (C) The development and use of a recognizable and uniform opt-out logo or button by all businesses to promote consumer awareness of the opportunity to opt out of the sale of personal information.

(5) Adjusting the monetary threshold in subparagraph (A)(i) of subdivision (3) of section 1 of this act in January of every odd-numbered year to reflect any increase in the consumer price index.

(6) Establishing rules, procedures and any exceptions necessary to ensure that the notices and information that businesses are required to provide pursuant to sections 1 to 18, inclusive, of this act are provided in a manner that may be easily understood by the average consumer, are accessible to consumers with disabilities and are available in the language primarily used to interact with the consumer, including establishing rules and guidelines regarding financial incentive offerings, not later than January 1, 2021, and as needed thereafter.

(7) Establishing rules and procedures to further the purposes of sections 4 and 6 of this act and to facilitate a consumer's, or the consumer's authorized agent's, ability to obtain information pursuant to section 9 of this act, with the goal of minimizing the administrative burden on consumers, taking into account available technology,
security concerns and the burden on the business, to govern a business' determination that a request for information received by a consumer is a verifiable request, including treating a request submitted through a password-protected account maintained by the consumer with the business while the consumer is logged into the account as a verifiable request and providing a mechanism for a consumer who does not maintain an account with the business to request information through the business' authentication of the consumer's identity, not later than January 1, 2021, and as needed thereafter.

(b) The Commissioner of Consumer Protection may adopt additional regulations to further the purposes of sections 1 to 18, inclusive, of this act.

Sec. 17. (NEW) (Effective January 1, 2020) If a series of steps or transactions were component parts of a single transaction intended from the beginning to be taken with the intention of avoiding the reach of sections 1 to 18, inclusive, of this act, including the disclosure of information by a business to a third party in order to avoid the definition of sale, a court shall disregard the intermediate steps or transactions for purposes of effectuating the purposes of sections 1 to 18, inclusive, of this act.

Sec. 18. (NEW) (Effective January 1, 2020) Any provision of a contract or agreement of any kind that purports to waive or limit in any way a consumer's rights under this section and sections 1 to 17, inclusive, of this act, including, but not limited to, any right to a remedy or means of enforcement, shall be void and unenforceable. This section shall not prevent a consumer from declining to request information from a business, declining to opt out of a business' sale of the consumer's personal information, or authorizing a business to sell the consumer's personal information after previously opting out.

This act shall take effect as follows and shall amend the following sections:

<table>
<thead>
<tr>
<th>Section</th>
<th>January 1, 2020</th>
<th>New section</th>
</tr>
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</table>
Statement of Purpose:
To require businesses to disclose the proposed use of any personal information and to give consumers the right to discover what personal information the business possesses and to opt out of the sale of such information and to create a cause of action and penalties for violations of such requirements.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]