MISSISSIPPI LEGISLATURE

REGULAR SESSION 2021

By: Senator(s) Turner-Ford

To: Judiciary, Division A

SENATE BILL NO. 2612

1 AN ACT TO CREATE THE "MISSISSIPPI CONSUMER DATA PRIVACY ACT"; 2 TO AUTHORIZE CONSUMERS TO REQUEST THAT BUSINESSES DISCLOSE CERTAIN 3 INFORMATION; TO AUTHORIZE CONSUMERS TO REQUEST THAT BUSINESSES 4 DELETE PERSONAL INFORMATION COLLECTED BY BUSINESSES; TO REQUIRE 5 BUSINESSES TO DISCLOSE CERTAIN INFORMATION TO CONSUMERS, TO INFORM 6 CONSUMERS OF THEIR RIGHT TO REQUEST THAT PERSONAL INFORMATION BE 7 DELETED, AND TO DELETE PERSONAL INFORMATION COLLECTED ABOUT 8 CONSUMERS UPON REQUEST; TO AUTHORIZE CONSUMERS TO INSTRUCT 9 BUSINESSES TO NOT SELL THE CONSUMERS' PERSONAL INFORMATION; TO 10 AUTHORIZE CONSUMERS TO BRING CIVIL ACTIONS AGAINST BUSINESSES THAT 11 VIOLATE THIS ACT; TO AUTHORIZE THE ATTORNEY GENERAL TO BRING CIVIL 12 ACTIONS AGAINST BUSINESSES THAT VIOLATE THIS ACT; TO REQUIRE THE 13 ATTORNEY GENERAL TO ADOPT REGULATIONS TO FURTHER THE PURPOSES OF 14 THIS ACT; AND FOR RELATED PURPOSES.

15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

16 **SECTION 1.** This act shall be known as the "Mississippi

17 Consumer Data Privacy Act."

18 **SECTION 2.** (1) The Legislature finds:

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(a) That it is an important and substantial state

20 interest to protect the private, personal data in Mississippi;

21 (b) That with the increasing use of technology and data

22 in everyday life, there is an increasing amount of private,

23 personal data being shared by consumers with businesses as a part

24 of everyday transactions and online and other activities;

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25 That the increasing collection, storage, use and (C) 26 sale of personal data creates increased risks of identity theft, 27 financial loss, and other misuse of private personal data; and 28 (d) That many consumers do not know, understand, or 29 have appropriate authority over the distribution, use, sale or 30 disclosure of their personal data. Therefore, it is the intent of the Legislature to 31 (2)32 further Mississippians' right to privacy by recognizing that 33 Mississippi consumers have the following rights: 34 (a) To know what personal information is being 35 collected about them; 36 To know whether their personal information is sold (b) 37 or disclosed and to whom; To decline or opt-out of the sale of their personal 38 (C) information; 39 40 (d) To access their personal information that has been collected; and 41 42 (e) To receive equal service and price, even if they 43 exercise their above rights. 44 SECTION 3. As used in this act: "Business" means: 45 (a) 46 A sole proprietorship, partnership, limited (i) 47 liability company, corporation, association, or other legal entity that is organized or operated for the profit or financial benefit 48 of its shareholders or other owners, that collects consumers' 49 S. B. No. 2612 ~ OFFICIAL ~

21/SS26/R254 PAGE 2 (ens\lr) 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 Mississippi, and that satisfies one or more of the following thresholds:

55 1. Has annual gross revenues in excess of Ten 56 Million Dollars (\$10,000,000.00);

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 (50,000) or more consumers,
households, or devices; and

62 3. Derives fifty percent (50%) or more of its63 annual revenues from selling consumers' personal information;

64 (ii) Any entity that controls or is controlled by
65 a business, as defined in subparagraph (i) of this section, and
66 that shares common branding with the business;

1. For this subparagraph (ii), "control" or "controlled" means ownership of, or the power to vote, more than fifty percent (50%) of the outstanding shares of any class of voting security of a business; control in any manner over the election of a majority of the directors, or of individuals exercising similar functions; or the power to exercise a controlling influence over the management of a company; and

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74 2. "Common branding" means a shared name or75 trademark.

76 "Personal information" means information that (b) (i) identifies, relates to, describes, is capable of being associated 77 78 with, or could reasonably be linked, directly or indirectly, with 79 a particular consumer or household, including, but not limited to: 80 1. Identifiers such as a real name, alias, 81 postal address, unique personal identifier, online identifier 82 internet protocol address, email address, account name, social 83 security number, driver's license number, passport number, or other similar identifiers; 84 85 2. Characteristics of protected 86 classifications under Mississippi or federal law; 87 3. Commercial information, including records 88 of personal property, products or services purchased, obtained, or 89 considered, or other purchasing or consuming histories or 90 tendencies; Biometric information; 91 4. 92 5. Internet or other electronic network activity information, including, but not limited to, browsing 93 94 history, search history, and information regarding a consumer's 95 interaction with an internet website, application, or 96 advertisement: 97 6. Geolocation data;

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98 7. Audio, electronic, visual, thermal, 99 olfactory, or similar information; 100 8. Professional or employment-related information; 101 102 9. Education information, defined as 103 information that is not publicly available personally identifiable 104 information as defined in the Family Educational Rights and Privacy Act (20 U.S.C. Section 1232g, 34 C.F.R. Part 99); and 105 106 10. Inferences drawn from any of the 107 information identified in this section to create a profile about a 108 consumer reflecting the consumer's preferences, characteristics, 109 psychological trends, preferences, predispositions, behavior, 110 attitudes, intelligence, abilities, and aptitudes. (ii) "Personal information" does not include 111 publicly available information. For the purposes of this 112 113 subparagraph (ii), "publicly available" means information that is 114 lawfully made available from federal, state, or local government records, as restricted by any conditions associated with such 115 116 information. "Publicly available" does not mean biometric 117 information collected by a business about a consumer without the 118 consumer's knowledge. Information is not "publicly available" if 119 that data is used for a purpose that is not compatible with the 120 purpose for which the data is maintained and made available in the 121 government records or for which it is publicly maintained.

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122 "Publicly available" does not include consumer information that is 123 deidentified or aggregate consumer information.

124 <u>SECTION 4.</u> A consumer shall have the right: 125 (a) To request that a business that collects personal 126 information about the consumer disclose to the consumer the 127 following:

128 (i) The categories and specific pieces of personal129 information that the business has collected about that consumer;

130 (ii) The categories of sources from which the131 personal information is collected;

(iii) The business or commercial purpose forcollecting or selling personal information; and

134 (iv) The categories of third parties with whom the135 business shares personal information;

(b) To request that a business that sells the
consumer's personal information, or that discloses it for a
business purpose, disclose to that consumer:

139 (i) The categories of personal information that140 the business collected about the consumer;

(ii) The categories of personal information that the business sold about the consumer 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; and

146 (iii) The categories of personal information that 147 the business disclosed about the consumer for a business purpose; 148 and

(c) To request that a business delete any personal information about the consumer which the business has collected from the consumer.

152 <u>SECTION 5.</u> Upon receipt of a verifiable request from a 153 consumer, a business shall:

(a) Disclose the information specified in Section 4(a)
of this act to the consumer if the business collects personal
information about that consumer. This subparagraph (a) does not
require a business to:

(i) 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

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

(b) Disclose the information specified in Section 4(b)
of this act to the consumer if the business sells personal
information about that consumer, or discloses that consumer's
personal information for a business purpose.

169 (c) Delete a consumer's personal information from its170 records and direct any service providers to delete a consumer's

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171 personal information from their records. A business or a service 172 provider shall not be required to comply with a consumer's request 173 to delete the consumer's personal information if it is necessary 174 for the business or service provider to maintain the consumer's 175 personal information in order to:

(i) 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's ongoing business relationship with the consumer, or otherwise perform a contract between the business and the consumer;

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

185 (iii) Debug to identify and repair errors that 186 impair existing intended functionality;

187 (iv) Exercise free speech, ensure the right of
188 another consumer to exercise his or her right of free speech, or
189 exercise another right provided for by law;

(v) 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;

S. B. No. 2612 **~ OFFICIAL ~** 21/SS26/R254 PAGE 8 (ens\lr) 196 (vi) To enable solely internal uses that are 197 reasonably aligned with the expectations of the consumer based on the consumer's relationship with the business; or 198

Comply with a legal obligation. (vii) 200 SECTION 6. A business that collects personal information 201 about consumers shall disclose, pursuant to Section 9, the 202 consumer's rights to request the deletion of the consumer's 203 personal information.

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204 **SECTION 7.** (1) A consumer shall have the right, at any 205 time, to direct a business that sells personal information about 206 the consumer to third parties not to sell the consumer's personal 207 information. This right may be referred to as the right to opt 208 out.

209 A business shall respect the consumer's decision to (a) opt out under this subsection (1) for at least twelve (12) months 210 211 before requesting that the consumer authorize the sale of the 212 consumer's personal information.

213 A business shall use any personal information (b) 214 collected from the consumer in connection with the submission of 215 the consumer's opt-out request solely for the purposes of 216 complying with the opt-out request.

217 A business that sells consumers' personal information to (2) third parties shall provide notice to consumers that this 218 219 information may be sold and that consumers have the right to opt 220 out of the sale of their personal information.

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(3) A business that has received direction from a consumer not to sell the consumer's personal information or has not received consent to sell a minor consumer's personal information shall be prohibited 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.

228 Notwithstanding subsections (1) and (3) of this section, (4) 229 a business shall not sell the personal information of consumers if 230 the business has actual knowledge that the consumer is less than 231 sixteen (16) years of age, unless the consumer, in the case of 232 consumers between thirteen (13) and sixteen (16) years of age, or 233 the consumer's parent or quardian, in the case of consumers who 234 are less than thirteen (13) years of age, has affirmatively 235 authorized the sale of the consumer's personal information. A 236 business that willfully disregards the consumer's age shall be 237 deemed to have had actual knowledge of the consumer's age. This right may be referred to as the right to opt in. 238

239 <u>SECTION 8.</u> A third party shall not sell personal information 240 about a consumer that has been sold to the third party by a 241 business unless the consumer has received explicit notice and is 242 provided an opportunity to exercise the right to opt out as 243 provided in Section 7(1) of this act.

S. B. No. 2612 21/SS26/R254 PAGE 10 (ens\lr) 244 <u>SECTION 9.</u> (1) A business shall not discriminate against a 245 consumer when a consumer exercises any of the consumer's rights 246 under this act, including, but not limited to, by:

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(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 this act; or

(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 subsection (1) of this section 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.

262 <u>SECTION 10.</u> (1) In order to comply with the notice 263 requirements of the above sections, a business shall, in a form 264 that is reasonably accessible to consumers:

(a) Make available two (2) or more designated methods
for submitting requests for information required to be disclosed,
including, at a minimum, a toll-free telephone number, and if the
business maintains an internet website, a website address;

S. B. No. 2612 **~ OFFICIAL ~** 21/SS26/R254 PAGE 11 (ens\lr) (b) Disclose and deliver the required information free of charge within forty-five (45) days of receiving a verifiable request from the consumer. The time period to provide the required information may be extended once by an additional forty-five (45) days when reasonably necessary, provided the consumer is provided notice of the extension within the first forty-five-day period;

(c) Provide a clear and conspicuous link on the business's 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;

(d) Include a description of a consumer's rights along with a separate link to the "Do Not Sell My Personal Information" internet web page in its online privacy policy or policies if the business has an online privacy policy or policies or any Mississippi-specific description of consumers' privacy rights;

(e) Ensure that all individuals responsible for
handling consumer inquiries about the business's privacy practices
are informed of all requirements in this act and how to direct
consumers to exercise their rights.

292 (2) Nothing in this section shall be construed to require a293 business to include 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 Mississippi consumers and that includes the required links and text, and the business takes reasonable steps to ensure that Mississippi consumers are directed to the homepage for Mississippi consumers and not the homepage made available to the public generally.

301 **SECTION 11.** The obligations imposed on businesses by the 302 above sections shall not restrict a business's ability to:

(a) Comply with federal, state, or local laws;

304 (b) Comply with a civil, criminal, or regulatory 305 inquiry, investigation, subpoena, or summons by federal, state, or 306 local authorities;

307 (c) Cooperate with law enforcement agencies concerning 308 conduct or activity that the business, service provider, or third 309 party reasonably and in good faith believes may violate federal, 310 state, or local law;

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(d) Exercise or defend legal claims;

(e) Collect, use, retain, sell, or disclose consumer information that is deidentified or in the aggregate consumer information; and

(f) Collect or sell a consumer's personal information if every aspect of that commercial conduct takes place wholly outside of Mississippi. For purposes of this act, commercial conduct takes place wholly outside of Mississippi if the business

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319 collected that information while the consumer was outside of 320 Mississippi, no part of the sale of the consumer's personal 321 information occurred in Mississippi, and no personal information 322 collected while the consumer was in Mississippi is sold. This 323 paragraph shall not permit a business from storing, including on a 324 device, personal information about a consumer when the consumer is 325 in Mississippi and then collecting that personal information when 326 the consumer and stored personal information is outside of 327 Mississippi.

328 <u>SECTION 12.</u> (1) (a) Any consumer whose nonencrypted or 329 nonredacted personal information is subject to an unauthorized 330 access and exfiltration, theft, or disclosure as a result of the 331 business' violation of the duty to implement and maintain 332 reasonable security procedures and practices appropriate to the 333 nature of the information to protect the personal information may 334 institute a civil action for any of the following:

(i) To recover damages in an amount not less than One Hundred Dollars (\$100.00) and not greater than Seven Hundred Fifty Dollars (\$750.00) per consumer per incident or actual damages, whichever is greater;

(ii) Injunctive or declaratory relief; or
(iii) 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

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344 limited to, the nature and seriousness of the misconduct, the 345 number of violations, the persistence of the misconduct, the 346 length of time over which the misconduct occurred, the willfulness 347 of the defendant's misconduct, and the defendant's assets, 348 liabilities, and net worth.

349 (2) Actions pursuant to this section may be brought by a350 consumer if all of the following requirements are met:

351 Prior to initiating any action against a business (a) 352 for statutory damages on an individual or class-wide basis, a 353 consumer shall provide a business thirty (30) days' written notice 354 identifying the specific provisions of this act the consumer 355 alleges have been or are being violated, but no notice shall be 356 required prior to an individual consumer initiating an action 357 solely for actual pecuniary damages suffered as a result of the 358 alleged violations of this act; and

(b) If a business continues to violate 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 the title that postdates the written statement.

(3) In the event a cure is possible, if within the thirty
(30) days the business actually cures the noticed violation and
provides the consumer an express written statement that the

S. B. No. 2612 **~ OFFICIAL ~** 21/SS26/R254 PAGE 15 (ens\lr) 369 violations have been cured and that no further violations shall 370 occur, no action for individual statutory damages or class-wide 371 statutory damages may be initiated against the business.

(4) A business shall be in violation of this act if it fails to cure any alleged violation within thirty (30) days after being notified of the alleged noncompliance. Any business, service provider, or other person that violates this act shall be liable for a civil penalty in a civil action brought in the name of the people of Mississippi by the Attorney General of up to Seven Thousand Five Hundred Dollars (\$7,500.00) for each violation.

379 **SECTION 13.** Any business or third party may seek the opinion 380 of the Attorney General for guidance on how to comply with the 381 provisions of this act.

382 <u>SECTION 14.</u> This is a matter of statewide concern and this 383 act supersedes and preempts all rules, regulations, codes, 384 ordinances, and other laws adopted by a city, county, city and 385 county, municipality, or local agency regarding the collection and 386 sale of consumers' personal information by a business.

387 <u>SECTION 15.</u> Before July 1, 2022, the Attorney General shall 388 solicit broad public participation to adopt regulations to further 389 the purposes of this act.

390 SECTION 16. This act shall take effect and be in force from 391 and after July 1, 2022.

S. B. No. 2612 ~ OFFICIAL ~ 21/SS26/R254 ST: Mississippi Consumer Data Privacy Act; PAGE 16 (ens\lr) enact.