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SENATE BILL NO. 252

Offered January 10, 2024

Prefiled January 9, 2024

A BILL to amend and reenact § 59.1-578 of the Code of Virginia, relating to Consumer Data Protection Act; controller privacy notice; cookies; consumer consent.

Patron—McDougle

Referred to Committee on General Laws and Technology

Be it enacted by the General Assembly of Virginia:**1. That § 59.1-578 of the Code of Virginia is amended and reenacted as follows:****§ 59.1-578. Data controller responsibilities; transparency.****A. A controller shall:**

1. Limit the collection of personal data to what is adequate, relevant, and reasonably necessary in relation to the purposes for which such data is processed, as disclosed to the consumer;

2. Except as otherwise provided in this chapter, not process personal data for purposes that are neither reasonably necessary to nor compatible with the disclosed purposes for which such personal data is processed, as disclosed to the consumer, unless the controller obtains the consumer's consent;

3. Establish, implement, and maintain reasonable administrative, technical, and physical data security practices to protect the confidentiality, integrity, and accessibility of personal data. Such data security practices shall be appropriate to the volume and nature of the personal data at issue;

4. Not process personal data in violation of state and federal laws that prohibit unlawful discrimination against consumers. A controller shall not discriminate against a consumer for exercising any of the consumer rights contained in this chapter, including denying goods or services, charging different prices or rates for goods or services, or providing a different level of quality of goods and services to the consumer. However, nothing in this subdivision shall be construed to require a controller to provide a product or service that requires the personal data of a consumer that the controller does not collect or maintain or to prohibit a controller from offering a different price, rate, level, quality, or selection of goods or services to a consumer, including offering goods or services for no fee, if the consumer has exercised his right to opt out pursuant to § 59.1-577 or the offer is related to a consumer's voluntary participation in a bona fide loyalty, rewards, premium features, discounts, or club card program; and

5. Not process sensitive data concerning a consumer without obtaining the consumer's consent, or, in the case of the processing of sensitive data concerning a known child, without processing such data in accordance with the federal Children's Online Privacy Protection Act (15 U.S.C. § 6501 et seq.).

B. Any provision of a contract or agreement of any kind that purports to waive or limit in any way consumer rights pursuant to § 59.1-577 shall be deemed contrary to public policy and shall be void and unenforceable.

C. Controllers shall provide consumers with a reasonably accessible, clear, and meaningful privacy notice that includes:

1. The categories of personal data processed by the controller;

2. The purpose for processing personal data;

3. How consumers may exercise their consumer rights pursuant § 59.1-577, including how a consumer may appeal a controller's decision with regard to the consumer's request;

4. The categories of personal data that the controller shares with third parties, if any; and

5. The categories of third parties, if any, with whom the controller shares personal data.

Such privacy notice shall also include a method by which a consumer may opt out of the automatic placement of a data file, commonly referred to as a "cookie," on the consumer's computer or web browser and a disclosure of the purposes for which such data files are used. Controllers shall not use such data files, except those that are strictly necessary, without the prior express consent of the consumer and shall not prevent access to their services if such consent is not granted. Controllers shall document and store proof of such consent and make available to consumers an easily accessible method by which they may withdraw such consent.

D. If a controller sells personal data to third parties or processes personal data for targeted advertising, the controller shall clearly and conspicuously disclose such processing, as well as the manner in which a consumer may exercise the right to opt out of such processing.

E. A controller shall establish, and shall describe in a privacy notice, one or more secure and reliable means for consumers to submit a request to exercise their consumer rights under this chapter. Such

59 means shall take into account the ways in which consumers normally interact with the controller, the
60 need for secure and reliable communication of such requests, and the ability of the controller to
61 authenticate the identity of the consumer making the request. Controllers shall not require a consumer to
62 create a new account in order to exercise consumer rights pursuant to § 59.1-577 but may require a
63 consumer to use an existing account.