

REFERENCE TITLE: **personal data collection; business; requirements**

State of Arizona  
Senate  
Fifty-seventh Legislature  
Second Regular Session  
2026

## **SB 1790**

Introduced by  
Senators Kuby; Hatathlie; Representatives Garcia, Márquez

**AN ACT**

**AMENDING TITLE 44, ARIZONA REVISED STATUTES, BY ADDING CHAPTER 42;  
RELATING TO COMMERCE.**

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 44, Arizona Revised Statutes, is amended by adding  
3 chapter 42, to read:

4 CHAPTER 42

5 DATA BROKERS

6 ARTICLE 1. GENERAL PROVISIONS

7 44-8041. Definitions

8 IN THIS CHAPTER, UNLESS THE CONTEXT OTHERWISE REQUIRES:

9 1. "BIOMETRIC DATA" MEANS DATA GENERATED BY AUTOMATIC MEASUREMENTS  
10 OF AN INDIVIDUAL'S BIOLOGICAL PATTERNS OR CHARACTERISTICS, INCLUDING  
11 FINGERPRINT, VOICEPRINT, RETINA OR IRIS SCAN, INFORMATION PERTAINING TO AN  
12 INDIVIDUAL'S DEOXYRIBONUCLEIC ACID OR OTHER UNIQUE BIOLOGICAL PATTERN OR  
13 CHARACTERISTIC THAT IS USED TO IDENTIFY A SPECIFIC INDIVIDUAL.

14 2. "CHILD" MEANS AN INDIVIDUAL WHO IS LESS THAN SIXTEEN YEARS OF  
15 AGE.

16 3. "COLLECT" IN THE CONTEXT OF DATA, MEANS TO OBTAIN, RECEIVE,  
17 ACCESS OR OTHERWISE ACQUIRE THE DATA BY ANY MEANS, INCLUDING BY PURCHASING  
18 OR RENTING THE DATA.

19 4. "DATA BROKER" MEANS A BUSINESS ENTITY THAT COLLECTS, PROCESSES  
20 OR TRANSFERS PERSONAL DATA THAT THE BUSINESS ENTITY DID NOT COLLECT  
21 DIRECTLY FROM THE INDIVIDUAL WHO IS LINKED OR LINKABLE TO THE DATA.

22 5. "DEIDENTIFIED DATA" MEANS DATA THAT CANNOT REASONABLY BE LINKED  
23 TO AN IDENTIFIED OR IDENTIFIABLE INDIVIDUAL OR TO A DEVICE LINKED TO THAT  
24 INDIVIDUAL.

25 6. "EMPLOYEE":

26 (a) INCLUDES AN INDIVIDUAL WHO IS A DIRECTOR, OFFICER, STAFF  
27 MEMBER, TRAINEE, VOLUNTEER OR INTERN OF AN EMPLOYER OR AN INDIVIDUAL WHO  
28 IS WORKING AS AN INDEPENDENT CONTRACTOR FOR AN EMPLOYER, REGARDLESS OF  
29 WHETHER THE INDIVIDUAL IS PAID, UNPAID OR EMPLOYED ON A TEMPORARY BASIS.

30 (b) DOES NOT INCLUDE AN INDIVIDUAL CONTRACTOR WHO IS A SERVICE  
31 PROVIDER.

32 7. "EMPLOYEE DATA" MEANS INFORMATION COLLECTED, PROCESSED OR  
33 TRANSFERRED BY AN EMPLOYER IF THE INFORMATION IS RELATED TO ANY OF THE  
34 FOLLOWING:

35 (a) A JOB APPLICANT AND IS COLLECTED DURING THE COURSE OF THE  
36 HIRING AND APPLICATION PROCESS AND IS COLLECTED, PROCESSED OR TRANSFERRED  
37 SOLELY RELATING TO THE STATUS OF THE EMPLOYEE AS A CURRENT OR FORMER JOB  
38 APPLICANT OF THE EMPLOYER.

39 (b) AN EMPLOYEE WHO IS ACTING IN A PROFESSIONAL CAPACITY FOR THE  
40 EMPLOYER, INCLUDING THE EMPLOYEE'S BUSINESS CONTACT INFORMATION SUCH AS  
41 THE EMPLOYEE'S NAME, POSITION, TITLE, BUSINESS TELEPHONE NUMBER, BUSINESS  
42 ADDRESS OR BUSINESS EMAIL ADDRESS, AND IS COLLECTED, PROCESSED OR  
43 TRANSFERRED SOLELY RELATING TO THE PROFESSIONAL ACTIVITIES OF THE EMPLOYEE  
44 ON BEHALF OF THE EMPLOYER.

1 (c) AN EMPLOYEE'S EMERGENCY CONTACT INFORMATION AND IS COLLECTED,  
2 PROCESSED OR TRANSFERRED SOLELY FOR THE PURPOSE OF HAVING AN EMERGENCY  
3 CONTACT ON FILE FOR THE PURPOSE OF TRANSFERRING THE INFORMATION IN CASE OF  
4 AN EMERGENCY.

5 (d) AN EMPLOYEE OR THE EMPLOYEE'S SPOUSE, DEPENDENT, COVERED FAMILY  
6 MEMBER OR BENEFICIARY AND IS COLLECTED, PROCESSED OR TRANSFERRED SOLELY  
7 FOR THE PURPOSE OF ADMINISTERING BENEFITS TO WHICH THE EMPLOYEE DESCRIBED  
8 IS ENTITLED OR TO WHICH ANOTHER PERSON DESCRIBED BY THIS SUBDIVISION IS  
9 ENTITLED ON THE BASIS OF THE EMPLOYEE'S POSITION WITH THE EMPLOYER.

10 8. "GENETIC DATA":

11 (a) MEANS ANY DATA, REGARDLESS OF FORMAT, CONCERNING AN  
12 INDIVIDUAL'S GENETIC CHARACTERISTICS.

13 (b) INCLUDES BOTH:

14 (i) RAW SEQUENCE DATA DERIVED FROM SEQUENCING ALL OR A PORTION OF  
15 AN INDIVIDUAL'S EXTRACTED DNA.

16 (ii) GENOTYPIC AND PHENOTYPIC INFORMATION OBTAINED FROM ANALYZING  
17 AN INDIVIDUAL'S RAW SEQUENCE DATA.

18 9. "INDIVIDUAL" MEANS A NATURAL PERSON WHO RESIDES IN THIS STATE.

19 10. "KNOWN CHILD" MEANS A CHILD UNDER CIRCUMSTANCES IN WHICH A DATA  
20 BROKER HAS KNOWLEDGE OF, OR WILFULLY DISREGARDS OBTAINING KNOWLEDGE OF, OR  
21 SHOULD KNOW, OR REASONABLY SHOULD HAVE KNOWN OF, THE CHILD'S AGE.

22 11."PERSONAL DATA":

23 (a) MEANS ANY INFORMATION, INCLUDING SENSITIVE DATA, THAT IS LINKED  
24 OR REASONABLY LINKABLE TO AN IDENTIFIED OR IDENTIFIABLE INDIVIDUAL.

25 (b) INCLUDES PSEUDONYMOUS DATA IF THE INFORMATION IS USED BY A  
26 CONTROLLER OR PROCESSOR IN CONJUNCTION WITH ADDITIONAL INFORMATION THAT  
27 REASONABLY LINKS THE INFORMATION TO AN IDENTIFIED OR IDENTIFIABLE  
28 INDIVIDUAL.

29 (c) DOES NOT INCLUDE DEIDENTIFIED DATA, EMPLOYEE DATA OR PUBLICLY  
30 AVAILABLE INFORMATION.

31 12. "PRECISE GEOLOCATION DATA":

32 (a) MEANS INFORMATION ACCESSED ON A DEVICE OR TECHNOLOGY THAT SHOWS  
33 THE PAST OR PRESENT PHYSICAL LOCATION OF AN INDIVIDUAL OR THE INDIVIDUAL'S  
34 DEVICE WITH SUFFICIENT PRECISION TO IDENTIFY GROUND LEVEL LOCATION  
35 INFORMATION OF THE INDIVIDUAL OR DEVICE IN A RANGE OF NOT MORE THAN ONE  
36 THOUSAND EIGHT HUNDRED FIFTY FEET.

37 (b) DOES NOT INCLUDE LOCATION INFORMATION REGARDING AN INDIVIDUAL  
38 OR DEVICE THAT IS IDENTIFIABLE OR DERIVED SOLELY FROM THE VISUAL CONTENT  
39 OF A LEGALLY OBTAINED IMAGE, INCLUDING THE LOCATION OF A DEVICE THAT  
40 CAPTURED THE IMAGE.

41 13. "PROCESS" IN THE CONTEXT OF DATA, MEANS AN OPERATION OR SET OF  
42 OPERATIONS THAT ARE PERFORMED, WHETHER BY MANUAL OR AUTOMATED MEANS, ON  
43 PERSONAL DATA OR ON SETS OF PERSONAL DATA, SUCH AS THE COLLECTION, USE,  
44 STORAGE, DISCLOSURE, ANALYSIS, DELETION OR MODIFICATION OF PERSONAL DATA.

1           14. "PUBLICLY AVAILABLE INFORMATION" MEANS INFORMATION THAT IS ANY  
2 OF THE FOLLOWING:

3           (a) IS LAWFULLY MADE AVAILABLE THROUGH GOVERNMENT RECORDS.

4           (b) A BUSINESS HAS A REASONABLE BASIS TO BELIEVE IS LAWFULLY  
5 AVAILABLE TO THE GENERAL PUBLIC THROUGH WIDELY DISTRIBUTED MEDIA.

6           (c) IS LAWFULLY MADE AVAILABLE BY A CONSUMER, OR BY A PERSON TO  
7 WHOM A CONSUMER HAS DISCLOSED THE INFORMATION, UNLESS THE CONSUMER HAS  
8 RESTRICTED ACCESS TO THE INFORMATION FOR A SPECIFIC AUDIENCE.

9           15. "SENSITIVE DATA" MEANS:

10          (a) A GOVERNMENT-ISSUED IDENTIFIER THAT IS NOT REQUIRED BY LAW TO  
11 BE PUBLICLY AVAILABLE, INCLUDING:

12           (i) A SOCIAL SECURITY NUMBER.

13           (ii) A PASSPORT NUMBER.

14           (iii) A DRIVER LICENSE NUMBER.

15          (b) INFORMATION THAT DESCRIBES OR REVEALS AN INDIVIDUAL'S MENTAL OR  
16 PHYSICAL HEALTH DIAGNOSIS, CONDITION OR TREATMENT.

17          (c) AN INDIVIDUAL'S FINANCIAL INFORMATION, EXCEPT THE LAST FOUR  
18 DIGITS OF A DEBIT OR CREDIT CARD NUMBER, INCLUDING:

19           (i) A FINANCIAL ACCOUNT NUMBER.

20           (ii) A CREDIT OR DEBIT CARD NUMBER.

21           (iii) INFORMATION THAT DESCRIBES OR REVEALS THE INCOME LEVEL OR  
22 BANK ACCOUNT BALANCES OF THE INDIVIDUAL.

23           (iv) TRANSACTION HISTORY.

24           (v) ELECTRONIC PAYMENT NUMBERS OR HISTORIES.

25           (vi) ACCOUNTS RELATED TO DIGITAL PAYMENT NETWORKS.

26           (vii) MOBILE PAYMENT SERVICES OR SIMILAR TYPES OF SERVICES OR  
27 NETWORKS.

28           (viii) PAYMENT OF HEALTH CARE SERVICES OR RELATED DEBT COLLECTION.

29           (d) BIOMETRIC DATA.

30           (e) GENETIC DATA.

31           (f) PRECISE GEOLOCATION DATA.

32           (g) AN INDIVIDUAL'S PRIVATE COMMUNICATION THAT:

33           (i) IF MADE USING A DEVICE, THE DEVICE IS NOT PROVIDED BY THE  
34 INDIVIDUAL'S EMPLOYER AND DOES NOT PROVIDE CONSPICUOUS NOTICE TO THE  
35 INDIVIDUAL THAT THE EMPLOYER MAY ACCESS COMMUNICATION MADE USING THE  
36 DEVICE.

37           (ii) INCLUDES, UNLESS THE DATA BROKER IS THE SENDER OR AN INTENDED  
38 RECIPIENT OF THE COMMUNICATION, ANY FORM OF MESSAGES SENT FROM A  
39 COMMUNICATION SYSTEM AND THE INDIVIDUAL'S VOICEMAILS, EMAILS, TEXTS,  
40 DIRECT MESSAGES OR MAIL, INFORMATION THAT IDENTIFIES THE PARTIES INVOLVED  
41 IN THE COMMUNICATIONS AND INFORMATION THAT RELATES TO THE TRANSMISSION OF  
42 THE COMMUNICATIONS, INCLUDING TELEPHONE NUMBERS CALLED, TELEPHONE NUMBERS  
43 FROM WHICH CALLS ARE PLACED, THE TIME CALLS ARE MADE, CALL DURATION AND  
44 LOCATION INFORMATION OF THE PARTIES TO THE CALL.

1 (h) A LOG-IN CREDENTIAL, SECURITY CODE OR ACCESS CODE FOR AN  
2 ACCOUNT OR DEVICE.

3 (i) INFORMATION IDENTIFYING THE SEXUAL BEHAVIOR OF THE INDIVIDUAL.

4 (j) CALENDAR INFORMATION, ADDRESS BOOK INFORMATION, PHONE OR TEXT  
5 LOGS, PHOTOS, AUDIO RECORDINGS OR VIDEOS THAT BOTH:

6 (i) ARE MAINTAINED FOR PRIVATE USE BY AN INDIVIDUAL AND STORED ON  
7 THE INDIVIDUAL'S DEVICE OR IN ANOTHER LOCATION.

8 (ii) ARE NOT COMMUNICATED USING A DEVICE PROVIDED BY THE  
9 INDIVIDUAL'S EMPLOYER. THIS ITEM DOES NOT APPLY IF THE EMPLOYEE  
10 COMMUNICATES ON A DEVICE PROVIDED BY THE EMPLOYER AND THE EMPLOYER  
11 NOTIFIES THE EMPLOYEE THAT THE EMPLOYER MAY ACCESS COMMUNICATION MADE  
12 USING THE DEVICE.

13 (k) A PHOTOGRAPH, FILM, VIDEO RECORDING OR OTHER SIMILAR MEDIUM  
14 THAT SHOWS THE INDIVIDUAL OR A PART OF THE INDIVIDUAL NUDE OR WEARING  
15 UNDERGARMENTS.

16 (l) INFORMATION REVEALING THE VIDEO CONTENT REQUESTED OR SELECTED  
17 BY AN INDIVIDUAL.

18 (m) INFORMATION REGARDING A KNOWN CHILD.

19 (n) INFORMATION REVEALING AN INDIVIDUAL'S RACIAL OR ETHNIC ORIGIN,  
20 COLOR, SEX, GENDER, CITIZENSHIP, IMMIGRATION STATUS, RELIGIOUS BELIEFS OR  
21 UNION MEMBERSHIP.

22 (o) INFORMATION IDENTIFYING AN INDIVIDUAL'S ONLINE ACTIVITIES  
23 ACCESSING MULTIPLE INTERNET WEBSITES OR ONLINE SERVICES.

24 (p) INFORMATION COLLECTED, PROCESSED OR TRANSFERRED FOR THE PURPOSE  
25 OF IDENTIFYING INFORMATION DESCRIBED BY THIS PARAGRAPH.

26 16. "SERVICE PROVIDER" MEANS A PERSON THAT IS BOUND BY CONTRACTUAL  
27 OBLIGATIONS OR AN AGREEMENT RECEIVES, COLLECTS, PROCESSES OR TRANSFERS  
28 PERSONAL DATA ON BEHALF OF AND ONLY AT THE DIRECTION OF A BUSINESS OR  
29 GOVERNMENTAL ENTITY, INCLUDING A BUSINESS OR GOVERNMENTAL ENTITY THAT IS  
30 ANOTHER SERVICE PROVIDER, SO THE PERSON MAY PERFORM A SERVICE OR FUNCTION  
31 WITH OR ON BEHALF OF THE BUSINESS OR GOVERNMENTAL ENTITY AND TO THE EXTENT  
32 A PERSON PROCESSES PERSONAL DATA FOR THE PERSON'S OWN PURPOSES, THE PERSON  
33 IS NOT ACTING AS A SERVICE PROVIDER.

34 17. "TRANSFER" MEANS TO DISCLOSE, RELEASE, SHARE, DISSEMINATE, MAKE  
35 AVAILABLE, SELL OR LICENSE DATA BY ANY MEANS OR MEDIUM.

36 44-8042. Applicability to data

37 A. EXCEPT AS PROVIDED IN SUBSECTION B OF THIS SECTION, THIS CHAPTER  
38 APPLIES TO PERSONAL DATA THAT IS COLLECTED, TRANSFERRED OR PROCESSED FROM  
39 AN INDIVIDUAL BY A DATA BROKER.

40 B. THIS CHAPTER DOES NOT APPLY TO THE FOLLOWING DATA:

41 1. DEIDENTIFIED DATA, IF THE DATA BROKER:

42 (a) TAKES REASONABLE TECHNICAL MEASURES TO ENSURE THAT THE DATA IS  
43 NOT ABLE TO BE USED TO IDENTIFY AN INDIVIDUAL WITH WHOM THE DATA IS  
44 ASSOCIATED.

1 (b) PUBLICLY COMMITS IN A CLEAR AND CONSPICUOUS MANNER TO BOTH:  
2 (i) PROCESS AND TRANSFER THE DATA SOLELY IN A DEIDENTIFIED FORM  
3 WITHOUT ANY REASONABLE MEANS FOR REIDENTIFICATION.  
4 (ii) NOT ATTEMPT TO IDENTIFY THE INFORMATION TO AN INDIVIDUAL WITH  
5 WHOM THE DATA IS ASSOCIATED.  
6 (c) CONTRACTUALLY OBLIGATES A PERSON THAT RECEIVES THE INFORMATION  
7 FROM THE PROVIDER TO BOTH:  
8 (i) COMPLY WITH THIS PARAGRAPH WITH RESPECT TO THE INFORMATION.  
9 (ii) REQUIRE THAT THE CONTRACTUAL OBLIGATIONS BE INCLUDED IN ANY  
10 SUBSEQUENT TRANSFER OF THE DATA TO ANOTHER PERSON.  
11 2. EMPLOYEE DATA.  
12 3. PUBLICLY AVAILABLE INFORMATION.  
13 4. INFERENCES MADE EXCLUSIVELY FROM MULTIPLE INDEPENDENT SOURCES OF  
14 PUBLICLY AVAILABLE INFORMATION THAT DO NOT REVEAL SENSITIVE DATA WITH  
15 RESPECT TO AN INDIVIDUAL.  
16 44-8043. Applicability to entities  
17 A. EXCEPT AS PROVIDED IN SUBSECTION B OF THIS SECTION, THIS CHAPTER  
18 APPLIES ONLY TO A DATA BROKER THAT, IN A TWELVE-MONTH PERIOD, MAKES  
19 EITHER:  
20 1. MORE THAN FIFTY PERCENT OF THE DATA BROKER'S REVENUE DIRECTLY  
21 FROM PROCESSING OR TRANSFERRING PERSONAL DATA THAT IS NOT COLLECTED BY THE  
22 DATA BROKER DIRECTLY FROM THE INDIVIDUALS TO WHOM THE DATA PERTAINS.  
23 2. REVENUE DIRECTLY FROM PROCESSING OR TRANSFERRING THE PERSONAL  
24 DATA OF MORE THAN FIFTY THOUSAND INDIVIDUALS IF THE DATA BROKER DOES NOT  
25 COLLECT THE DATA DIRECTLY FROM THE INDIVIDUALS TO WHOM THE DATA PERTAINS.  
26 B. THIS CHAPTER DOES NOT APPLY TO:  
27 1. A SERVICE PROVIDER, INCLUDING A SERVICE PROVIDER THAT ENGAGES IN  
28 THE BUSINESS OF PROCESSING EMPLOYEE DATA FOR AN EMPLOYER FOR THE SOLE  
29 PURPOSE OF PROVIDING BENEFITS TO THE EMPLOYER'S EMPLOYEES.  
30 2. A FEDERAL, STATE, TRIBAL, TERRITORIAL OR LOCAL GOVERNMENTAL  
31 ENTITY, INCLUDING A BODY, AUTHORITY, BOARD, BUREAU, COMMISSION, DISTRICT,  
32 AGENCY OR POLITICAL SUBDIVISION OF A GOVERNMENTAL ENTITY.  
33 3. AN ENTITY THAT SERVES AS A CONGRESSIONALLY DESIGNATED NONPROFIT,  
34 NATIONAL RESOURCE CENTER OR CLEARINGHOUSE TO PROVIDE ASSISTANCE TO  
35 VICTIMS, FAMILIES, CHILD-SERVING PROFESSIONALS AND THE GENERAL PUBLIC ON  
36 MISSING AND EXPLOITED CHILDREN ISSUES.  
37 4. A CONSUMER REPORTING AGENCY OR OTHER PERSON THAT FURNISHES  
38 INFORMATION FOR INCLUSION IN A CONSUMER CREDIT REPORT OR OBTAINS A  
39 CONSUMER CREDIT REPORT, BUT ONLY TO THE EXTENT THAT THE CONSUMER REPORTING  
40 AGENCY OR THE PERSON ENGAGES IN ACTIVITY REGULATED OR AUTHORIZED BY THE  
41 FAIR CREDIT REPORTING ACT (15 UNITED STATES CODE SECTIONS 1681 THROUGH  
42 1681x), INCLUDING THE COLLECTION, MAINTENANCE, DISCLOSURE, SALE,  
43 COMMUNICATION OR USE OF ANY PERSONAL INFORMATION BEARING ON A CONSUMER'S

1 CREDITWORTHINESS, CREDIT STANDING, CREDIT CAPACITY, CHARACTER, GENERAL  
2 REPUTATION, PERSONAL CHARACTERISTICS OR MODE OF LIVING.

3 44-8044. Notice on website or mobile application

4 A DATA BROKER THAT MAINTAINS AN INTERNET WEBSITE OR MOBILE  
5 APPLICATION SHALL POST A CONSPICUOUS NOTICE ON THE WEBSITE OR APPLICATION  
6 THAT:

7 1. STATES THAT THE ENTITY MAINTAINING THE WEBSITE OR APPLICATION IS  
8 A DATA BROKER.

9 2. IS CLEAR, NOT MISLEADING AND READILY ACCESSIBLE BY THE GENERAL  
10 PUBLIC, INCLUDING INDIVIDUALS WITH A DISABILITY.

11 3. CONTAINS LANGUAGE AS PRESCRIBED BY THE SECRETARY OF STATE IN  
12 RULE FOR INCLUSION IN THE NOTICE.

13 4. INFORMS A CONSUMER HOW TO EXERCISE ANY CONSUMER RIGHTS THE  
14 CONSUMER MAY HAVE UNDER THIS CHAPTER, WHICH IS KNOWN AS THE ARIZONA  
15 CONSUMER DATA PROTECTION ACT, OR CHAPTER 10, ARTICLE 7 OF THIS TITLE.

16 44-8045. Registration; fees; renewal

17 A. TO CONDUCT BUSINESS IN THIS STATE, A DATA BROKER MUST REGISTER  
18 WITH THE SECRETARY OF STATE BY FILING A REGISTRATION STATEMENT AND PAYING  
19 A REGISTRATION FEE IN AN AMOUNT TO BE DETERMINED BY THE SECRETARY OF  
20 STATE.

21 B. THE REGISTRATION STATEMENT MUST INCLUDE:

22 1. THE LEGAL NAME OF THE DATA BROKER.

23 2. A CONTACT PERSON AND THE PRIMARY PHYSICAL ADDRESS, EMAIL  
24 ADDRESS, TELEPHONE NUMBER AND WEBSITE ADDRESS FOR THE DATA BROKER.

25 3. A DESCRIPTION OF THE CATEGORIES OF DATA THAT THE DATA BROKER  
26 PROCESSES AND TRANSFERS.

27 4. A STATEMENT OF WHETHER THE DATA BROKER IMPLEMENTS A PURCHASER  
28 CREDENTIALING PROCESS.

29 5. IF THE DATA BROKER HAS KNOWLEDGE, SHOULD HAVE KNOWLEDGE OR  
30 REASONABLY SHOULD HAVE KNOWLEDGE, THAT THE DATA BROKER POSSESSES SENSITIVE  
31 DATA, INCLUDING PERSONAL DATA OF A KNOWN CHILD:

32 (a) A STATEMENT DETAILING THE DATA COLLECTION PRACTICES, DATABASES,  
33 SALES ACTIVITIES AND OPT OUT POLICIES THAT ARE APPLICABLE TO THE PERSONAL  
34 DATA.

35 (b) A STATEMENT ON HOW THE DATA BROKER COMPLIES WITH APPLICABLE  
36 FEDERAL AND STATE LAWS REGARDING THE COLLECTION, USE OR DISCLOSURE OF  
37 SENSITIVE DATA, INCLUDING PERSONAL DATA FROM AND ABOUT A CHILD ON THE  
38 INTERNET.

39 6. THE NUMBER OF SECURITY BREACHES THE DATA BROKER HAS EXPERIENCED  
40 DURING THE YEAR IMMEDIATELY PRECEDING THE YEAR IN WHICH THE REGISTRATION  
41 IS FILED, AND IF KNOWN, THE TOTAL NUMBER OF CONSUMERS AFFECTED BY EACH  
42 BREACH.

1 C. A REGISTRATION OF A DATA BROKER MAY INCLUDE ANY ADDITIONAL  
2 INFORMATION OR EXPLANATION THE DATA BROKER CHOOSES TO PROVIDE TO THE  
3 SECRETARY OF STATE CONCERNING THE DATA BROKER'S DATA COLLECTION PRACTICES.

4 D. A REGISTRATION CERTIFICATE EXPIRES ON THE FIRST ANNIVERSARY OF  
5 THE REGISTRATION CERTIFICATE'S DATE OF ISSUANCE. A DATA BROKER MAY RENEW  
6 A REGISTRATION CERTIFICATE BY FILING A RENEWAL APPLICATION, IN THE FORM  
7 PRESCRIBED BY THE SECRETARY OF STATE, AND PAYING A RENEWAL FEE IN AN  
8 AMOUNT DETERMINED BY THE SECRETARY OF STATE.

9 44-8046. Registry of data brokers

10 THE SECRETARY OF STATE SHALL ESTABLISH AND MAINTAIN ON THE SECRETARY  
11 OF STATE'S WEBSITE A SEARCHABLE, CENTRAL REGISTRY OF DATA BROKERS  
12 REGISTERED UNDER SECTION 44-8045. THE REGISTRY MUST INCLUDE:

13 1. A SEARCH FEATURE THAT ALLOWS A PERSON THAT IS SEARCHING THE  
14 REGISTRY TO IDENTIFY A SPECIFIC DATA BROKER.

15 2. FOR EACH DATA BROKER, THE INFORMATION PRESCRIBED IN SECTION  
16 44-8045, SUBSECTION B.

17 44-8047. Protection of personal data

18 A. A DATA BROKER THAT IS CONDUCTING BUSINESS IN THIS STATE SHALL  
19 PROTECT PERSONAL DATA THAT THE DATA BROKER HOLDS.

20 B. A DATA BROKER SHALL DEVELOP, IMPLEMENT AND MAINTAIN A  
21 COMPREHENSIVE INFORMATION SECURITY PLAN THAT IS WRITTEN IN ONE OR MORE  
22 READILY ACCESSIBLE PARTS AND CONTAINS ADMINISTRATIVE, TECHNICAL AND  
23 PHYSICAL SAFEGUARDS THAT ARE APPROPRIATE FOR ALL OF THE FOLLOWING:

24 1. THE DATA BROKER'S SIZE, SCOPE AND TYPE OF BUSINESS.

25 2. THE AMOUNT OF RESOURCES AVAILABLE TO THE DATA BROKER.

26 3. THE AMOUNT OF DATA STORED BY THE DATA BROKER.

27 4. THE NEED FOR SECURITY AND CONFIDENTIALITY OF PERSONAL DATA  
28 STORED BY THE DATA BROKER.

29 C. THE COMPREHENSIVE INFORMATION SECURITY PLAN REQUIRED BY THIS  
30 SECTION MUST:

31 1. INCORPORATE SAFEGUARDS THAT ARE CONSISTENT WITH THE SAFEGUARDS  
32 FOR PROTECTION OF PERSONAL DATA AND INFORMATION OF A SIMILAR CHARACTER  
33 UNDER STATE OR FEDERAL LAWS APPLICABLE TO THE DATA BROKER.

34 2. INCLUDE THE DESIGNATION OF ONE OR MORE EMPLOYEES OF THE DATA  
35 BROKER TO MAINTAIN THE PLAN.

36 3. REQUIRE THE IDENTIFICATION AND ASSESSMENT OF REASONABLY  
37 FORESEEABLE INTERNAL AND EXTERNAL RISKS TO THE SECURITY, CONFIDENTIALITY  
38 AND INTEGRITY OF ANY ELECTRONIC, PAPER OR OTHER RECORD CONTAINING PERSONAL  
39 DATA AND THE ESTABLISHMENT OF A PROCESS FOR EVALUATING AND IMPROVING, AS  
40 NECESSARY, THE EFFECTIVENESS OF THE CURRENT SAFEGUARDS FOR LIMITING THOSE  
41 RISKS, INCLUDING BY:

42 (a) REQUIRING ONGOING EMPLOYEE AND CONTRACTOR EDUCATION AND  
43 TRAINING, INCLUDING EDUCATION AND TRAINING FOR TEMPORARY EMPLOYEES AND

1 CONTRACTORS OF THE DATA BROKER, ON THE PROPER USE OF SECURITY PROCEDURES  
2 AND PROTOCOLS AND THE IMPORTANCE OF PERSONAL DATA SECURITY.

3 (b) MANDATING EMPLOYEE COMPLIANCE WITH POLICIES AND PROCEDURES  
4 ESTABLISHED UNDER THE PLAN.

5 (c) PROVIDING A MEANS FOR DETECTING AND PREVENTING SECURITY SYSTEM  
6 FAILURES.

7 4. INCLUDE SECURITY POLICIES FOR THE DATA BROKER'S EMPLOYEES  
8 RELATING TO THE STORAGE, ACCESS AND TRANSPORTATION OF RECORDS CONTAINING  
9 PERSONAL DATA OUTSIDE OF THE BROKER'S PHYSICAL BUSINESS PREMISES.

10 5. PROVIDE DISCIPLINARY MEASURES FOR VIOLATIONS OF A POLICY OR  
11 PROCEDURE ESTABLISHED UNDER THE PLAN.

12 6. INCLUDE MEASURES FOR PREVENTING A TERMINATED EMPLOYEE FROM  
13 ACCESSING RECORDS CONTAINING PERSONAL DATA.

14 7. PROVIDE POLICIES FOR THE SUPERVISION OF THIRD-PARTY SERVICE  
15 PROVIDERS THAT INCLUDE:

16 (a) TAKING REASONABLE STEPS TO SELECT AND RETAIN THIRD-PARTY  
17 SERVICE PROVIDERS THAT ARE CAPABLE OF MAINTAINING APPROPRIATE SECURITY  
18 MEASURES TO PROTECT PERSONAL DATA CONSISTENT WITH APPLICABLE LAW.

19 (b) REQUIRING THIRD-PARTY SERVICE PROVIDERS BY CONTRACT TO  
20 IMPLEMENT AND MAINTAIN APPROPRIATE SECURITY AND PRIVACY MEASURES FOR  
21 PERSONAL DATA.

22 8. PROVIDE REASONABLE RESTRICTIONS ON PHYSICAL ACCESS TO RECORDS  
23 CONTAINING PERSONAL DATA, INCLUDING BY REQUIRING THE RECORDS CONTAINING  
24 THE DATA TO BE STORED IN A LOCKED FACILITY, STORAGE AREA OR CONTAINER.

25 9. INCLUDE REGULAR MONITORING TO ENSURE THAT THE PLAN IS OPERATING  
26 IN A MANNER REASONABLY CALCULATED TO PREVENT UNAUTHORIZED ACCESS TO OR  
27 UNAUTHORIZED USE OF PERSONAL DATA AND, AS NECESSARY, UPGRADING INFORMATION  
28 SAFEGUARDS TO LIMIT THE RISK OF UNAUTHORIZED ACCESS TO OR UNAUTHORIZED USE  
29 OF PERSONAL DATA.

30 10. REQUIRE THE REGULAR REVIEW OF THE SCOPE OF THE PLAN'S SECURITY  
31 MEASURES THAT MUST OCCUR BOTH:

32 (a) AT LEAST ANNUALLY.

33 (b) WHENEVER THERE IS A MATERIAL CHANGE IN THE DATA BROKER'S  
34 BUSINESS PRACTICES THAT MAY REASONABLY AFFECT THE SECURITY AND PRIVACY OR  
35 INTEGRITY OF RECORDS CONTAINING PERSONAL DATA.

36 11. REQUIRE THE DOCUMENTATION OF RESPONSIVE ACTIONS TAKEN IN  
37 CONNECTION WITH ANY INCIDENT INVOLVING A BREACH OF SECURITY, INCLUDING A  
38 MANDATORY POST-INCIDENT REVIEW OF EACH EVENT AND THE ACTIONS TAKEN, IF  
39 ANY, TO MAKE CHANGES IN BUSINESS PRACTICES RELATING TO PROTECTION OF  
40 PERSONAL DATA IN RESPONSE TO THAT EVENT.

41 12. TO THE EXTENT TECHNICALLY FEASIBLE, INCLUDE THE FOLLOWING  
42 PROCEDURES AND PROTOCOLS WITH RESPECT TO COMPUTER SYSTEM SECURITY  
43 REQUIREMENTS OR PROCEDURES AND PROTOCOLS PROVIDING A HIGHER DEGREE OF  
44 SECURITY FOR THE PROTECTION OF PERSONAL DATA:

- 1 (a) THE USE OF SECURE USER AUTHENTICATION PROTOCOLS THAT INCLUDE  
2 EACH OF THE FOLLOWING FEATURES:
- 3 (i) CONTROLLING USER LOGIN CREDENTIALS AND OTHER IDENTIFIERS.  
4 (ii) USING A REASONABLY SECURE METHOD OF ASSIGNING AND SELECTING  
5 PASSWORDS OR USING UNIQUE IDENTIFIER TECHNOLOGIES, INCLUDING BIOMETRICS OR  
6 TOKEN DEVICES.  
7 (iii) CONTROLLING DATA SECURITY PASSWORDS TO ENSURE THAT THE  
8 PASSWORDS ARE KEPT IN A LOCATION AND FORMAT THAT DO NOT COMPROMISE THE  
9 SECURITY OF THE DATA THAT THE PASSWORDS PROTECT.  
10 (iv) RESTRICTING ACCESS TO ONLY ACTIVE USERS AND ACTIVE USER  
11 ACCOUNTS.  
12 (v) BLOCKING ACCESS TO USER CREDENTIALS OR IDENTIFICATION AFTER  
13 MULTIPLE UNSUCCESSFUL ATTEMPTS TO GAIN ACCESS.
- 14 (b) THE USE OF SECURE ACCESS CONTROL MEASURES, INCLUDING:  
15 (i) RESTRICTING ACCESS TO RECORDS AND FILES CONTAINING PERSONAL  
16 DATA TO ONLY EMPLOYEES OR CONTRACTORS WHO NEED ACCESS TO THAT PERSONAL  
17 DATA TO PERFORM THE JOB DUTIES OF THE EMPLOYEES OR CONTRACTORS.  
18 (ii) ASSIGNING TO EACH EMPLOYEE OR CONTRACTOR WHO HAS ACCESS TO A  
19 COMPUTER CONTAINING PERSONAL DATA A UNIQUE IDENTIFICATION AND A PASSWORD  
20 THAT MAY NOT BE A VENDOR-SUPPLIED DEFAULT PASSWORD OR USING ANOTHER  
21 PROTOCOL REASONABLY DESIGNED TO MAINTAIN THE INTEGRITY OF THE SECURITY OF  
22 THE ACCESS CONTROLS TO PERSONAL DATA.  
23 (c) ENCRYPTION OF:  
24 (i) TRANSMITTED RECORDS AND FILES CONTAINING PERSONAL DATA THAT  
25 TRAVELS ACROSS PUBLIC NETWORKS.  
26 (ii) DATA CONTAINING PERSONAL DATA THAT IS TRANSMITTED WIRELESSLY.  
27 (d) REASONABLE MONITORING OF SYSTEMS FOR UNAUTHORIZED USE OF OR  
28 ACCESS TO PERSONAL DATA.  
29 (e) ENCRYPTION OF ALL PERSONAL DATA STORED ON LAPTOP COMPUTERS OR  
30 OTHER PORTABLE DEVICES.  
31 (f) FOR FILES CONTAINING PERSONAL DATA ON A SYSTEM THAT IS  
32 CONNECTED TO THE INTERNET, THE USE OF REASONABLY CURRENT FIREWALL  
33 PROTECTION AND OPERATING SYSTEM SECURITY PATCHES THAT ARE REASONABLY  
34 DESIGNED TO MAINTAIN THE INTEGRITY OF THE PERSONAL DATA.  
35 (g) THE USE OF EITHER:  
36 (i) A REASONABLY CURRENT VERSION OF SYSTEM SECURITY AGENT SOFTWARE  
37 THAT MUST INCLUDE MALWARE PROTECTION AND REASONABLY CURRENT PATCHES AND  
38 VIRUS DEFINITIONS.  
39 (ii) A VERSION OF SYSTEM SECURITY AGENT SOFTWARE THAT IS  
40 SUPPORTABLE WITH CURRENT PATCHES AND VIRUS DEFINITIONS AND IS SET TO  
41 RECEIVE THE MOST CURRENT SECURITY UPDATES ON A REGULAR BASIS.

1           44-8048. Violation; civil penalty; attorney general action  
2           A. A DATA BROKER THAT VIOLATES SECTION 44-8044 OR 44-8045 IS  
3 SUBJECT TO A CIVIL PENALTY AS FOLLOWS:  
4           1. \$100 FOR EACH DAY THAT THE VIOLATION CONTINUES.  
5           2. AN AMOUNT EQUAL TO THE AMOUNT OF UNPAID REGISTRATION FEES FOR  
6 EACH YEAR THAT THE ENTITY FAILS TO REGISTER IN VIOLATION OF SECTION  
7 44-8045.  
8           3. AN AMOUNT NOT TO EXCEED \$10,000 IN A TWELVE-MONTH PERIOD.  
9           B. THE ATTORNEY GENERAL MAY BRING AN ACTION TO RECOVER A CIVIL  
10 PENALTY IMPOSED UNDER THIS SECTION. THE ATTORNEY GENERAL MAY RECOVER  
11 REASONABLE ATTORNEY FEES AND COURT COSTS INCURRED IN BRINGING THE ACTION.  
12           44-8049. Unfair trade practice  
13           A VIOLATION OF SECTION 44-8047 CONSTITUTES AN UNFAIR TRADE PRACTICE  
14 PURSUANT TO SECTION 44-1522.  
15           44-8050. Rulemaking  
16           THE SECRETARY OF STATE MAY ADOPT RULES PURSUANT TO TITLE 41, CHAPTER  
17 6 TO CARRY OUT THIS CHAPTER.  
18           Sec. 2. Short title  
19           This act may be cited as the "Arizona Consumer Data Protection Act".