

PRELIMINARY REPORT TO VERMONT GENERAL ASSEMBLY ON DATA BROKER REGISTRY

March 1, 2019

Prepared by the Vermont Office of the Attorney General

Pursuant to Act 171 the Attorney General (after consultation with the Office of the Secretary of State) now submits this preliminary report concerning implementation of the new data broker law to the relevant committees of jurisdiction.

The Act has four basic elements: a data broker registry; minimum data security requirements for data brokers; a prohibition on fraudulent acquisition, or unlawful use, of brokered personal information; and elimination of credit freeze fees at credit reporting agencies.

We are pleased to report the Act is effectively implemented.

To date, there are 123 data brokers registered by the State of Vermont. All data broker registrations are readily available to the public through the Secretary of State's website at <https://www.vtsosonline.com/online/BusinessInquire/?isStartupAction=False>.¹ Vermonters can now quickly and easily access:

- 1) The name and contact information of data brokers active in Vermont;
- 2) The status of filers (active/inactive) and whether the filing fee is paid;
- 3) Whether opt-outs (or third party opt-outs) are available to consumers – and to what extent. And, if opt-outs are available, how consumers may avail themselves of those options;
- 4) Whether the data broker credentials purchasers of its data;
- 5) The number of security breaches experienced in the prior year (and number of consumers affected);
- 6) Whether the data broker collects or maintains brokered personal information of minors; and
- 7) Other miscellaneous information the data broker may elect to share concerning its data collection practices.

To assist new filers, the Office of the Attorney General issued a guidance concerning Act 171 on December 11, 2018. That guidance may be found here: <https://ago.vermont.gov/wp-content/uploads/2018/12/2018-12-11-VT-Data-Broker-Regulation-Guidance.pdf>

The other elements of the bill (minimum data security requirements; prohibition against fraudulent acquisition or unlawful use of data) help create standards and norms for conduct that will aid consumers over time. Finally, Vermont consumers received immediate relief through the elimination of credit freeze fees at credit reporting agencies as a result of the Act.

¹ Additional analysis of the actual filings is forthcoming and will supplement this preliminary report. Some filings were made on paper and submitted manually, others were submitted electronically. The vendor will shortly be able to compile the results of all filings into one document for further review and analysis.