
SENATE BILL 5643

State of Washington

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By Senators Hasegawa, Hunt, Kauffman, Kuderer, Lovelett, Nobles, and C. Wilson

Read first time 01/31/23. Referred to Committee on Environment, Energy & Technology.

1 AN ACT Relating to creating a charter of people's personal data
2 rights; adding a new section to chapter 42.56 RCW; adding a new
3 chapter to Title 19 RCW; creating a new section; prescribing
4 penalties; and providing an effective date.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** This act may be known and cited as the
7 people's privacy act.

8 NEW SECTION. **Sec. 2.** The legislature finds that:

9 (1) Washingtonians have an explicit right to privacy under
10 Article I, section 7 of the Washington state Constitution and this
11 act furthers protection of that fundamental constitutional right.

12 (2) Advances in technology and the rapid growth in the volume and
13 variety of personal information being generated, collected, stored,
14 and analyzed have increased harms to individual and collective
15 privacy, making the protection of this vital right a matter of
16 urgency.

17 (3) Privacy violations and misuse of personal information in the
18 digital age can lead to a range of harms, including discrimination in
19 employment, health care, housing, access to credit, and other areas;
20 unfair price discrimination; domestic violence; abuse; stalking;

1 harassment; entrapment; and financial, emotional, and reputational
2 harms.

3 (4) Privacy harms disproportionately affect low-income people and
4 people of color.

5 (5) Privacy violations not only threaten the fundamental rights
6 and privileges of Washingtonians, but they also menace the foundation
7 and supporting institutions of a free democratic state.

8 (6) Washingtonians are increasingly required to share personal
9 information and are subjected to automated forms of surveillance and
10 classification as a consequence of simply participating in public
11 life and accessing basic social goods, services, and opportunities.

12 (7) Entities that collect, use, retain, share, and monetize
13 personal information have specialized knowledge about the algorithms
14 and data security measures they use, as well as information about how
15 they collect, use, retain, share, and monetize personal information
16 that the average individual is unlikely to understand. Just as banks,
17 lawyers, and medical providers, given their specialized knowledge,
18 have special obligations to individuals, entities collecting intimate
19 personal information in the digital age and benefiting from similarly
20 specialized knowledge should have similar obligations.

21 (8) Privacy is the foundation of consumer trust, particularly in
22 electronic commerce, and people will use advanced data-driven
23 technology only if their privacy rights are respected, their personal
24 information is safeguarded, and their freedom to choose how much
25 personal information to share is unobstructed.

26 (9) The state of Washington is more protective of personal
27 privacy than many other states and has an obligation to ensure that
28 its residents can control their personal information and are able to
29 understand and regulate how that personal information may be used by
30 others.

31 (10) Requiring entities to obtain opt-in consent prior to the use
32 or disclosure of personal information is essential to protecting
33 personal privacy. Without opt-in consent, individuals who wish to
34 control their personal information face an insurmountable challenge
35 of identifying and engaging with each and every entity they
36 encounter, while businesses lack the incentive to present individuals
37 with meaningful opportunities to choose. An opt-in approach gives
38 people meaningful control over their personal information while
39 allowing businesses to choose how and whether they request consent to
40 process that information.

1 NEW SECTION. **Sec. 3.** The definitions in this section apply
2 throughout this chapter unless the context clearly requires
3 otherwise.

4 (1) "Biometric information" means a record of one or more
5 measurable biological or behavioral characteristics that can be used
6 alone or in combination with each other or with other information for
7 automated recognition of a known or unknown individual. Examples
8 include but are not limited to: Fingerprints, retina and iris
9 patterns, voiceprints, DNA sequence, facial characteristics, gait,
10 handwriting, key stroke dynamics, and mouse movements. Biometric
11 information does not include writing samples, written signatures,
12 photographs, human biological samples used for valid scientific
13 testing or screening, demographic data, tattoo descriptions, or
14 physical descriptions such as height, weight, hair color, or eye
15 color. Biometric information does not include donated organs,
16 tissues, or parts, or blood or serum stored on behalf of recipients
17 or potential recipients of living or cadaveric transplants and
18 obtained or stored by a federally designated organ procurement
19 agency. Biometric information does not include information captured
20 from a patient in a health care setting or information collected,
21 used, or stored for health care treatment, payment, or operations
22 under the federal health insurance portability and accountability act
23 of 1996. Biometric information does not include an X-ray, roentgen
24 process, computed tomography, magnetic resonance imaging, positron
25 emission tomography scan, mammography, or other image or film of the
26 human anatomy used to diagnose, prognose, or treat an illness or
27 other medical condition or to further validate scientific testing or
28 screening.

29 (2) "Captured personal information" means personal information
30 about a Washington resident that is captured in an interaction in
31 which a covered entity directly or indirectly makes available
32 information, products, or services to an individual or household.
33 Covered interactions include but are not limited to posting of
34 information, offering of a product or service, the placement of
35 targeted advertisements, or offering a membership or other ongoing
36 relationship with an entity. For the purposes of this chapter,
37 "captured personal information" includes biometric information,
38 regardless of how captured.

39 (3) "Collect" means to buy, rent, gather, obtain, receive, trade
40 for, or access any personal information pertaining to an individual

1 by any means, online or offline, including but not limited to
2 receiving information from the individual or from a third party,
3 actively or passively, or obtaining information by observing the
4 individual's behavior.

5 (4) "Conduct business in Washington" or "conducting business in
6 Washington" means to produce, solicit, or offer for use or sale any
7 information, product, or service in a manner that intentionally
8 targets, or may reasonably be expected to contact natural persons
9 located in Washington state, whether or not for profit.

10 (5) "Covered entity" means a person or legal entity that is not a
11 governmental entity and that conducts business in Washington state,
12 processes captured personal information, and (a) has earned or
13 received \$10,000,000 or more of annual revenue through 300 or more
14 transactions or (b) processes and/or maintains the captured personal
15 information of 1,000 or more unique individuals during the course of
16 a calendar year.

17 (6) "Data processor" means a person or legal entity that
18 processes captured personal information on behalf of a covered
19 entity.

20 (7) "Deidentified" means captured personal information that
21 cannot reasonably identify, relate to, describe, be capable of being
22 associated with, or be linked, directly or indirectly, to a
23 particular individual or household, provided that a covered entity
24 that uses deidentified captured personal information must:

25 (a) Implement technical safeguards that prohibit reidentification
26 of the information;

27 (b) Implement business processes that specifically prohibit
28 reidentification of the information;

29 (c) Implement business processes that prevent inadvertent release
30 of deidentified information;

31 (d) Not attempt to reidentify the information; and

32 (e) Contractually obligate any recipients of the information to
33 comply with all the provisions of this subsection.

34 If a covered entity intentionally shares any deidentified
35 captured personal information, it shall condition such sharing on the
36 agreement by any recipients to abide by the same restrictions and to
37 submit to jurisdiction under this chapter in any action based on
38 violation of such restrictions.

39 (8) "Device" means a tool that is capable of sending, routing, or
40 receiving communications to or from another device and intended for

1 use by a single individual or single household or, if used outside of
2 a home, for use by the general public.

3 (9) "Disclose" means any action, set of actions, or omission in
4 which a covered entity, data processor, or third party makes personal
5 information available to another person, intentionally or
6 unintentionally, including but not limited to sharing, publishing,
7 releasing, transferring, disseminating, making available, selling,
8 leasing, providing access to, failing to restrict access to, or
9 otherwise communicating orally, in writing, electronically, or by any
10 other means.

11 (10) "Harm" shall mean potential or realized adverse consequences
12 to an individual or to society, including but not limited to:

13 (a) Direct or indirect financial harm;

14 (b) Physical harm or threats to individuals or property,
15 including but not limited to bias-related crimes and threats,
16 harassment, and sexual harassment;

17 (c) Discrimination in products, services, or economic
18 opportunity, such as housing, employment, credit, insurance,
19 education, or health care, on the basis of an individual or class of
20 individuals' actual or perceived age, race, national origin, sex,
21 sexual orientation, gender identity, disability, and/or membership in
22 another protected class, except as specifically authorized by law;

23 (d) Interference with or surveillance of First Amendment
24 protected activities by state actors, except as specifically
25 authorized by law;

26 (e) Interference with the right to vote or with free and fair
27 elections;

28 (f) Violation of individuals' rights to due process or equal
29 protection under the law;

30 (g) Loss of individual control over captured personal information
31 via nonconsensual sharing of private information, data breach, or
32 other actions that violate the rights listed in section 4 of this
33 act;

34 (h) The nonconsensual capture of information or communications
35 within an individual's home or where an individual is entitled to
36 have a reasonable expectation of privacy or access control; and

37 (i) Other effects on an individual that may not be reasonably
38 foreseeable to, contemplated by, or expected by the individual to
39 whom the captured personal information relates, that are nevertheless
40 reasonably foreseeable, contemplated by, or expected by the covered

1 entity that alter or limit that individual's choices or predetermines
2 results.

3 (11) "Individual" means a natural person who is a Washington
4 state resident. The location of a person in Washington state shall
5 create a presumption that the person is a Washington state resident.

6 (12) "Monetize" means to sell, rent, release, disclose,
7 disseminate, trade, make available, transfer, or otherwise
8 communicate orally, in writing, or by electronic or other means, an
9 individual's personal information by a covered entity, a third party,
10 or a data processor in exchange for monetary or other consideration,
11 as well as to leverage or use an individual's personal information to
12 place a targeted advertisement or to otherwise profit, regardless of
13 whether the individual's personal information changes hands.

14 (13) "Personal information" means any information that directly
15 or indirectly identifies, relates to, describes, is capable of being
16 associated with, or could reasonably be linked to a particular
17 individual, household, or device. Information is reasonably linkable
18 to an individual, household, or device if it can be used on its own
19 or in combination with other information to identify an individual,
20 household, or device.

21 (14) "Processing" or "process" means any action or set of actions
22 performed on or with personal information, including but not limited
23 to collection, access, use, retention, sharing, monetizing, analysis,
24 creation, generation, derivation, decision making, recording,
25 alteration, organization, structuring, storage, disclosure,
26 transmission, sale, licensing, disposal, destruction, deidentifying,
27 or other handling of personal information; provided, however, that a
28 person or entity that operates on captured personal information that
29 is encrypted or otherwise in a format that makes it not accessible or
30 susceptible to being made accessible to such person or entity in any
31 comprehensible form shall not be deemed to be processing such
32 captured personal information.

33 (15) "Proxy" or "proxies" means information that, by itself or in
34 combination with other information, is used by a covered entity or
35 Washington governmental entity in a way that discriminates based on
36 actual or perceived personal characteristics or classes protected
37 under Washington law.

38 (16) "Reasonably understandable" means a length and complexity
39 that is easily understandable to the least sophisticated consumer.

1 (17) "Targeted advertisement" means an advertisement directed to
2 an individual where the advertisement is selected based in whole or
3 in part on personal information about the individual. It does not
4 include advertisements directed to an individual based solely upon
5 the individual's current visit to a website, application, service, or
6 covered entity, or in direct response to the individual's request for
7 information or feedback.

8 (18) "Third party" means, with respect to an individual's
9 captured personal information, any person or entity that is not the
10 covered entity or a data processor that obtained the individual's
11 captured personal information from a covered entity or processor.

12 (19) "Use model" means a discrete purpose for which collected
13 personal information is to be processed, including but not limited to
14 first-party marketing, third-party marketing, first-party research
15 and development, third-party research and development, and product
16 improvement.

17 (20) "Washington governmental entity" shall mean a department or
18 agency of Washington state or a political subdivision thereof,
19 including but not limited to public authorities and special use
20 districts, or an individual acting for or on behalf of the state or a
21 political subdivision thereof.

22 NEW SECTION. **Sec. 4.** An individual residing in Washington state
23 has the following rights with regard to the individual's personal
24 information:

25 (1) The right to know what personal information a covered entity
26 processes about the individual, including the categories and specific
27 pieces of personal information the covered entity processes;

28 (2) The right to access and obtain the individual's personal
29 information processed by a covered entity, in a machine-readable
30 format that allows an individual to transfer their personal
31 information from one entity to another entity without hindrance;

32 (3) The right to refuse consent for any processing of the
33 individual's captured personal information that is not essential to
34 the primary transaction;

35 (4) The right to correct inaccurate personal information;

36 (5) The right to require a covered entity and/or data processor
37 to delete all captured personal information of the individual
38 processed by the covered entity or data processor, provided that a
39 covered entity that processes captured personal information from an

1 individual is required to not delete information to the extent it is
2 exempt under section 9(1) of this act from the requirement of freely
3 given, specific, informed, and unambiguous opt-in consent or to the
4 extent it is required to be maintained by the covered entity under
5 existing laws or regulations; and

6 (6) The right to not be subject to surreptitious surveillance.

7 NEW SECTION. **Sec. 5.** (1) Meaningful notice.

8 (a) A covered entity must make both a long-form privacy policy
9 and a short-form privacy policy persistently and conspicuously
10 available. Covered entities shall ensure that:

11 (i) Individuals interact with the short-form privacy policy upon
12 the individual's first visit to the covered entity's website or use
13 of the covered entity's mobile application;

14 (ii) In the case of in-person or noninternet electronic
15 engagement, the short-form privacy policy is read to or otherwise
16 presented to the individual prior to the time the covered entity
17 first collects the individual's captured personal information;

18 (iii) The privacy policies are persistently available and readily
19 accessible on the covered entity's website or mobile application;

20 (iv) The privacy policies are readily accessible at the primary
21 physical place of business and any offline equivalent maintained by
22 the covered entity; and

23 (v) The privacy policies are persistently and conspicuously
24 available at or prior to the point of sale of a product or service,
25 subscription to a service, or establishment of an account with the
26 covered entity. If there is no such sale, subscription, or
27 establishment, the privacy policies must be persistently and
28 conspicuously available before the individual uses the product or
29 service of the covered entity.

30 (b) The short-form privacy notice required under (a) of this
31 subsection shall:

32 (i) Be clear, concise, well-organized, and complete;

33 (ii) Be clear and prominent in appearance;

34 (iii) Use clear and plain language;

35 (iv) Use visualizations where appropriate to make complex
36 information understandable by the least sophisticated consumer;

37 (v) Be in English and any other language in which the covered
38 entity communicates with the individual to whom the information
39 pertains;

1 (vi) Be understandable by the least sophisticated consumer;
2 (vii) Be clearly distinguishable from other matters;
3 (viii) Not contain any unrelated, confusing, or contradictory
4 information;
5 (ix) Be no more than 500 words, excluding the list of third
6 parties with which the covered entity discloses captured personal
7 information, as required under (c)(vi) of this subsection; and
8 (x) Be provided free of charge.

9 (c) The short-form privacy notice required under (a) of this
10 subsection must include:
11 (i) What captured personal information is being processed;
12 (ii) The manner in which the captured personal information is
13 processed;
14 (iii) How and for what purpose the covered entity processes the
15 captured personal information;
16 (iv) How long the captured personal information will be retained;
17 (v) Whether and how the covered entity monetizes captured
18 personal information;
19 (vi) To what types of third parties the covered entity discloses
20 captured personal information and for what purposes; and
21 (vii) How the covered entity collects captured personal
22 information, including offline practices, including but not limited
23 to when the individual is not interacting directly with the covered
24 entity.

25 (d) A by-entity list of the third parties referenced in (c)(vi)
26 of this subsection must be provided either in the short-form privacy
27 notice or in an easily accessible online form. If the policy is
28 delivered verbally, the person communicating the policy must offer to
29 read the list of third parties. If provided in the short-form privacy
30 notice, such list must be offset by at least two line breaks from the
31 rest of the short-form privacy notice required under (a) of this
32 subsection.

33 (e) Within six months of enactment, the Washington state
34 department of commerce shall establish a standardized short-form
35 privacy notice that complies with this subsection (1).

36 (f) Within six months of enactment, the Washington state
37 department of commerce shall determine whether a more concise
38 presentation of a short-form privacy notice is appropriate where the
39 policy is being communicated verbally, and if so, shall establish a

1 standardized short-form verbal privacy notice that complies with this
2 subsection (1).

3 (g) To promote individuals' access to and awareness of the
4 privacy notices, within six months of enactment, the Washington state
5 department of commerce shall develop a recognizable and uniform logo
6 or button to be used on covered entities' interaction pages linking
7 to the entities' short-form privacy notice.

8 (h) The Washington state department of commerce may adopt
9 regulations specifying additional requirements for the format and
10 substance of short-form privacy notices.

11 (2) Opt-in consent.

12 (a) A covered entity shall not, without freely given, specific,
13 informed, and unambiguous opt-in consent from an individual:

14 (i) Process the individual's captured personal information; or

15 (ii) Make any changes in the processing of the individual's
16 captured personal information that would necessitate a change to the
17 information required to be provided under subsection (1)(c) of this
18 section.

19 (b) For continuing interactions, whether by automatic renewal or
20 nontime-limited interactions, the opt-in consent required by this
21 subsection must be renewed not less than annually, and if not so
22 renewed shall be deemed to have been withdrawn.

23 (c) A covered entity requesting consent shall ensure that the
24 option to withhold consent is presented as clearly and prominently as
25 the option to provide consent.

26 (d) A covered entity shall provide a mechanism for an individual
27 to withdraw previously given consent at any time. The individual
28 shall be notified when the withdrawal of consent is complete. It must
29 be as easy for an individual to withdraw their consent as it is for
30 the individual to provide consent.

31 (e) Under no circumstances shall an individual's interaction with
32 a covered entity's product or service when the covered entity has a
33 terms of service or a privacy policy, including the short-form
34 privacy notice, in and of itself constitute freely given, specific,
35 informed, and unambiguous consent.

36 (f) To the extent that a covered entity must process internet
37 protocol addresses, system configuration information, uniform
38 resource locators of referring pages, locale and language
39 preferences, keystrokes, and other captured personal information in

1 order to obtain individuals' freely given, specific, informed, and
2 unambiguous opt-in consent, the covered entity shall:

3 (i) Process only the captured personal information necessary to
4 request freely given, specific, informed, and unambiguous opt-in
5 consent;

6 (ii) Process the captured personal information solely to request
7 freely given, specific, informed, and unambiguous opt-in consent; and

8 (iii) Immediately delete the captured personal information if
9 consent is not given.

10 (g) A covered entity shall not refuse to serve an individual who
11 does not approve the processing of the individual's captured personal
12 information under this section unless the processing is necessary for
13 the primary purpose of the transaction that the individual has
14 requested.

15 (h) A covered entity shall not discriminate against individuals
16 by reason of their not granting opt-in consent to the processing of
17 their personal information under this chapter or otherwise exercising
18 their rights under this chapter, including but not limited to, by:
19 Denying goods or services to the individual; charging different
20 prices or rates for goods or services, including through the use of
21 discounts or other benefits or imposing penalties; providing a
22 different level or quality of goods or services to the individual;
23 and suggesting that the individual will receive a different price or
24 rate for goods or services or a different level or quality of goods
25 or services. Notwithstanding the above, a covered entity may, with
26 the individual's opt-in consent given in compliance with this
27 subsection (2), operate a program in which information, products or
28 services sold to the individual are discounted based on that
29 individual's prior purchases from the covered entity, provided that
30 the captured personal information shall be processed solely for the
31 purpose of operating such program.

32 (i) A covered entity shall not state or imply that the quality of
33 a product or service will be diminished and shall not actually
34 diminish the quality of a product or service if the individual
35 declines to give opt-in consent to captured personal information
36 processing.

37 (j) The Washington state department of commerce is hereby
38 authorized and directed to conduct a study to determine the most
39 effective way for covered entities to obtain individuals' freely

1 given, specific, informed, and unambiguous opt-in consent for each
2 type of captured personal information processing.

3 (k) The Washington state department of commerce may request data
4 and information from covered entities conducting business in
5 Washington state, other Washington state government entities
6 administering notice and consent regimes, consumer protection
7 experts, privacy advocates, and researchers, internet standards
8 setting bodies such as the internet engineering taskforce and
9 institute of electrical and electronics engineers, and other relevant
10 sources to meet the purpose of the study.

11 (l) Within six months of enactment, the Washington state
12 department of commerce shall adopt regulations specifying how:

13 (i) Covered entities must notify individuals of their rights
14 under this chapter and obtain individuals' freely given, specific,
15 informed, and unambiguous opt-in consent for each use model of
16 captured personal information processing; and

17 (ii) Covered entities must notify individuals of their right to
18 withdraw their consent at any time and how the right may be
19 exercised.

20 (m) Within six months of enactment, the Washington state
21 department of commerce shall adopt regulations grouping different
22 types of processing of captured personal information by use model and
23 permitting a covered entity to simultaneously obtain freely given,
24 specific, informed, and unambiguous opt-in consent from an individual
25 for multiple transactions of the same use model.

26 (3) Obligation of care.

27 (a) In storing, using, and transmitting captured personal
28 information, a covered entity shall use practices that at least
29 satisfy the reasonable standard of care within the covered entity's
30 industry for protecting captured personal information from
31 disclosure.

32 (b) The Washington state department of commerce, in consultation
33 with the office of privacy and data protection, may develop
34 appropriate security standards for captured personal information.
35 This subsection preempts (a) of this subsection only to the extent
36 that security standards developed are more protective of captured
37 personal information than is the industry standard of care.

38 (4) Access to personal information.

39 (a) A covered entity that processes an individual's captured
40 personal information must provide the individual with a reasonable

1 means to access their personal information processed by such entity,
2 including:

3 (i) All personal information obtained about that individual from
4 the individual or a third party, whether online or offline;

5 (ii) All information about where or from whom the covered entity
6 obtained captured personal information; and

7 (iii) The types of third parties to which the covered entity has
8 disclosed or will disclose captured personal information.

9 (b) A covered entity that processes an individual's captured
10 personal information must provide the access to the individual's
11 personal information under (a) of this subsection in a machine-
12 readable and searchable format that allows the individual to transfer
13 the personal information from one entity to another entity without
14 hindrance.

15 (c) A covered entity that maintains an individual's captured
16 personal information in a nonpublic profile or account must delete
17 the captured personal information, and any information derived
18 therefrom, pertaining to an individual upon that individual's
19 request, provided that a covered entity that has collected captured
20 personal information from an individual is not required to delete
21 information to the extent it is exempt under section 9(1) of this act
22 from the requirement of freely given, specific, informed, and
23 unambiguous opt-in consent or is otherwise required by law or
24 regulation to be retained by the covered entity.

25 (d) A covered entity must provide the opportunities required
26 under this subsection (4) in a form that is:

27 (i) Clear and conspicuous;

28 (ii) Made available at no additional cost to the individual to
29 whom the information pertains; and

30 (iii) In English and any other language in which the covered
31 entity communicates with the individual to whom the information
32 pertains.

33 (e) A covered entity must comply with an individual's request
34 under this subsection (4) no later than 30 days after receiving a
35 verifiable request from the individual.

36 (i) Where the covered entity has reasonable doubts or cannot
37 verify the identity of the individual making a request under (b)
38 through (d) of this subsection, the covered entity may request
39 additional personal information necessary for the specific purpose of
40 confirming the identity of the individual.

1 (ii) A covered entity may not deidentify an individual's captured
2 personal information during the 60-day period beginning on the date
3 the covered entity receives a request from the individual under (b)
4 through (d) of this subsection.

5 (5) Correction and deletion of personal information.

6 (a) A covered entity that processes an individual's captured
7 personal information shall provide the individual with a reasonable
8 means to correct inaccurate or incomplete personal information
9 processed by the covered entity.

10 (b) A covered entity that maintains an individual's captured
11 personal information in a nonpublic profile or account must delete
12 the captured personal information, and any information derived
13 therefrom, pertaining to an individual upon that individual's
14 request, provided that a covered entity that has collected captured
15 personal information from an individual is required to not delete
16 information to the extent it is exempt under section 9(1) of this act
17 from the requirement of freely given, specific, informed, and
18 unambiguous opt-in consent or is required by law or regulation to be
19 retained by the covered entity.

20 (c) A covered entity must provide the opportunities required
21 under this subsection (5) in a form that is:

22 (i) Clear and conspicuous;

23 (ii) Made available at no additional cost and with no
24 transactional penalty to the individual to whom the information
25 pertains; and

26 (iii) In English and any other language in which the covered
27 entity communicates with the individual to whom the information
28 pertains.

29 (d) A covered entity must comply with an individual's request
30 under this subsection (5) no later than 30 days after receiving a
31 verifiable request from the individual.

32 (i) Where the covered entity has reasonable doubts or cannot
33 verify the identity of the individual making a request under (b)
34 through (d) of this subsection, the covered entity may request
35 additional captured personal information necessary for the specific
36 purpose of confirming the identity of the individual.

37 (ii) A covered entity may not deidentify an individual's captured
38 personal information while a request for correction or deletion is
39 pending.

40 (6) Confidentiality and protection of data.

1 (a) A covered entity shall not disclose captured personal
2 information to a third party unless that third party is contractually
3 bound to the covered entity to meet the same privacy and security
4 obligations as the covered entity.

5 (b) A covered entity shall exercise reasonable oversight and take
6 reasonable actions, including auditing the data security and
7 processing practices of third parties it provides captured personal
8 information to at least once annually and ensure the third party's
9 compliance with such contractual provisions. The covered entity shall
10 publish the results of the audit publicly on its website.

11 (c) A covered entity shall not process captured personal
12 information it has acquired from a third party, without the freely
13 given, specific, informed, and unambiguous opt-in consent from the
14 individual to whom that captured personal information pertains. If
15 processing is necessary to obtain individuals' freely given,
16 specific, informed, and unambiguous opt-in consent, the covered
17 entity shall:

18 (i) Process only the captured personal information necessary to
19 request freely given, specific, informed, and unambiguous opt-in
20 consent; or

21 (ii) Immediately delete the captured personal information if
22 consent is not given.

23 (d) If a covered entity that has facilitated access to captured
24 personal information by other entities has knowledge that an entity
25 to which captured personal information was provided is using such
26 data in violation of this chapter, then the covered entity shall
27 immediately limit the violator's access to such captured personal
28 information and seek proof of destruction of such captured personal
29 information by the violating entity.

30 (e) A covered entity shall not disclose captured personal
31 information to a data processor unless the covered entity enters into
32 a contractual agreement with the data processor that:

33 (i) Prohibits the data processor from processing the captured
34 personal information for any purpose other than the purposes for
35 which the individual provided the captured personal information to
36 the covered entity;

37 (ii) Requires the data processor to meet the same privacy and
38 security obligations as the covered entity; and

39 (iii) Prohibits the data processor from further disclosing or
40 processing captured personal information it has acquired from the

1 covered entity except as explicitly authorized by the contract and
2 consistent with this chapter.

3 (f) A covered entity shall exercise reasonable oversight and take
4 reasonable actions, including auditing the data security and
5 processing practices of the data processor at least once annually and
6 ensure the data processor's compliance with such contractual
7 provisions. The covered entity shall publish the results of the audit
8 publicly on its website.

9 (7) Surreptitious surveillance.

10 A covered entity shall not activate the microphone, camera, or
11 any other sensor on a device in the lawful possession of an
12 individual that is capable of collecting or transmitting personal
13 information, without providing the privacy notices required in
14 subsection (1) of this section and obtaining the individual's freely
15 given, specific, informed, and unambiguous opt-in consent pursuant to
16 subsection (2) of this section for the specific type of measurement
17 to be activated; provided that such opt-in consent shall be effective
18 for no more than 90 days after which it shall expire unless renewed
19 by the individual's freely given, specific, informed, and unambiguous
20 opt-in consent pursuant to subsection (2) of this section.

21 NEW SECTION. **Sec. 6.** Age of responsibility.

22 (1) For the purposes of this chapter individuals ages 13 and
23 older are deemed competent to exercise all rights granted to
24 individuals under this chapter.

25 (2) Rights and obligations relating to individuals under the age
26 of 13 shall be governed by the children's online privacy protection
27 act (15 U.S.C. Sec. 6501 et seq.).

28 NEW SECTION. **Sec. 7.** In addition to all provisions of this
29 chapter applicable to captured personal information, the following
30 provisions shall be applicable to all biometric information,
31 regardless of how such biometric information is processed.

32 (1) **Retention; disclosure; destruction.** A covered entity or
33 Washington governmental entity that processes biometric information
34 must develop a written policy, made available to the public,
35 establishing a retention schedule and guidelines for permanently
36 destroying biometric information when the initial purpose for
37 processing such information has been satisfied or within one year of
38 the individual's last interaction with the covered entity or

1 Washington governmental entity, whichever occurs first. Consent under
2 subsection (2) of this section shall be for a period specified in the
3 written consent of not more than one year, and shall automatically
4 expire at the end of such period unless renewed pursuant to
5 subsection (2) of this section. Upon expiration of consent, any
6 biometric information possessed by a covered entity or Washington
7 governmental entity must be destroyed. Absent a valid warrant issued
8 by a court of competent jurisdiction, a covered entity or Washington
9 governmental entity in possession of biometric information must
10 comply with its established retention schedule and destruction
11 guidelines.

12 (2) **Processing.** No covered entity or Washington governmental
13 entity may process an individual's biometric information, unless it
14 first:

15 (a) Informs the individual in writing that biometric information
16 is being processed;

17 (b) Informs the individual in writing the details of the specific
18 purpose or purposes and length of term for which biometric
19 information processed;

20 (c) Receives a freely given, specific, informed, and unambiguous
21 written opt-in consent executed by the individual specifically
22 authorizing such processing; and

23 (d) Consents to processing information pursuant to the protocols
24 for human experimentation constitutes freely given, specific,
25 informed, and unambiguous opt-in consent under this section.

26 (3) **Disclosure.** No covered entity or Washington governmental
27 entity in possession of biometric information may disclose or
28 otherwise disseminate an individual's biometric information unless:

29 (a) The individual gives freely given, specific, informed, and
30 unambiguous opt-in consent in writing to the disclosure or
31 redisclosure;

32 (b) The disclosure or redisclosure is used solely to complete a
33 financial transaction requested or authorized by the subject of the
34 biometric information;

35 (c) The disclosure or redisclosure is required by state or
36 federal law; or

37 (d) The disclosure is required pursuant to a valid warrant or
38 subpoena issued by a court of competent jurisdiction or a subpoena
39 issued by a governmental entity or in a pending judicial case,
40 provided that in the case of a subpoena the entity subject to the

1 subpoena shall postpone compliance therewith until it has given the
2 subject of the subpoena notice of the facts set forth in section
3 9(2)(b)(i) of this act has allowed at least 10 business days for the
4 subject to seek review of or otherwise challenge the subpoena.

5 (4) **Monetizing.** No covered entity or Washington governmental
6 entity in possession of biometric information may monetize, or
7 otherwise profit from an individual's biometric information; provided
8 only that a covered entity may process an individual's biometric
9 information, with full disclosure and opt-in consent consistent with
10 section 5(2) of this act, in a service in which the covered entity
11 reports to the individual the biometric information processed and/or
12 utilizes the biometric information to design or recommend actions or
13 products that have been specifically requested by the individual with
14 full disclosure that such recommendation is based on the biometric
15 information processed, provided that the biometric information shall
16 not be used for any other purpose.

17 (5) **Identification.** Notwithstanding any other provision of this
18 chapter, a covered entity or governmental entity may list personal
19 information such as name or birthdate and biometric information such
20 as height, weight, or photograph on an issued license, membership or
21 identification card for the sole purpose of allowing an employee or
22 other representative of the covered entity to determine based solely
23 on personal observation, and without the assistance of technologies
24 such as facial recognition, whether the person physically holding
25 such license or card is the person entitled to hold it, provided
26 further that such intended use is disclosed to the individual prior
27 to capturing the biometric information. Any other processing of such
28 biometric information shall be subject to all the terms and
29 conditions of this chapter. Any covered entity or governmental entity
30 using personal information or biometric information under this
31 subsection must ensure that it is not stored or processed in any
32 manner that would allow a third party to process such information for
33 any purpose.

34 NEW SECTION. **Sec. 8.** (1) It shall be an unlawful discriminatory
35 practice:

36 (a) For a covered entity or Washington governmental entity to
37 process captured personal information for the purpose of advertising,
38 marketing, soliciting, offering, selling, leasing, licensing,
39 renting, or otherwise commercially contracting for employment,

1 finance, health care, credit, insurance, housing, or education
2 opportunities, in a manner that discriminates against or otherwise
3 makes the opportunity unavailable on the basis of an individual's or
4 class of individuals' actual, perceived, or proxies for actual or
5 perceived age, race, creed, color, national origin, sexual
6 orientation, gender identity or expression, sex, disability,
7 predisposing genetic characteristics, or domestic violence victim
8 status, except as specifically authorized by law;

9 (b) For a covered entity or Washington governmental entity to
10 process captured personal information in a manner that discriminates
11 in or otherwise makes unavailable, whether in a commercial
12 transaction or otherwise, any place of public resort, accommodation,
13 assemblage, or amusement as defined in RCW 49.60.040, on the basis of
14 an individual's or class of individuals' actual, perceived, or
15 proxies for actual or perceived age, race, creed, color, national
16 origin, sexual orientation, gender identity or expression, sex,
17 disability, predisposing genetic characteristics, or domestic
18 violence victim status, except as specifically authorized by law;

19 (c) For a covered entity or Washington governmental entity that
20 uses captured personal information in sales or placement of targeted
21 advertisements in which persons or entities offer commercial
22 transactions in employment, finance, health care, credit, insurance,
23 housing, or education opportunities, to target such advertisements on
24 actual, perceived, or proxies for actual or perceived age, race,
25 creed, color, national origin, sexual orientation, gender identity or
26 expression, sex, disability, predisposing genetic characteristics, or
27 domestic violence victim status, except as specifically authorized by
28 law.

29 (d) For a covered entity or Washington governmental entity to
30 operate, install, or commission the operation or installation of
31 equipment incorporating face recognition in any place of public
32 resort, accommodation, assemblage, or amusement, as defined in RCW
33 49.60.040. For the purpose of this subsection, "face recognition"
34 means: (i) An automated or semiautomated process by which an
35 individual is identified or attempted to be identified based on the
36 characteristics of the individual's face; or (ii) an automated or
37 semiautomated process by which the characteristics of an individual's
38 face are analyzed to determine the individual's sentiment, state of
39 mind, or other propensities including, but not limited to, the
40 person's level of dangerousness;

1 (e) For a covered entity or Washington governmental entity to
2 operate, install, or commission the operation or installation of
3 equipment incorporating artificial intelligence-enabled profiling in
4 any place of public resort, accommodation, assemblage, or amusement,
5 as defined in RCW 49.60.040, or to use artificial intelligence-
6 enabled profiling to make decisions that produce legal effects or
7 similarly significant effects concerning individuals. Decisions that
8 include legal effects or similarly significant effects concerning
9 consumers include, without limitation, denial or degradation of
10 consequential services or support, such as financial or lending
11 services, housing, insurance, educational enrollment, criminal
12 justice, employment opportunities, health care services, and access
13 to basic necessities, such as food and water. For the purposes of
14 this subsection, "artificial intelligence-enabled profiling" means
15 the automated or semiautomated process by which the external or
16 internal characteristics of an individual are analyzed to determine,
17 infer, or characterize an individual's state of mind, character,
18 propensities, protected class status, political affiliation,
19 religious beliefs or religious affiliation, immigration status, or
20 employability.

21 (2) A covered entity or Washington governmental entity that sells
22 or places targeted advertisements for employment, finance, health
23 care, credit, insurance, housing, or education opportunities shall
24 require persons or entities on whose behalf such sales or placement
25 is made to certify that they are in compliance with RCW 49.60.030.

26 (3) Nothing in this section shall limit covered entities or
27 Washington governmental entities from processing captured personal
28 information for legitimate testing for the purpose of preventing
29 unlawful discrimination or otherwise determining the extent or
30 effectiveness of the covered entity's or Washington governmental
31 entity's compliance with this section.

32 NEW SECTION. **Sec. 9.** (1) With respect to captured personal
33 information that is not biometric information, a covered entity shall
34 not be required to obtain freely given, specific, informed, and
35 unambiguous opt-in consent from an individual under section 5(2) of
36 this act if the processing is necessary to execute the specific
37 transaction for which the individual is providing captured personal
38 information, such as the provision of financial information to
39 complete a purchase or the provision of a mailing address to deliver

1 a package. However, captured personal information shall not be
2 processed for any other purpose beyond that clear primary purpose
3 without the freely given, specific, informed, and unambiguous opt-in
4 consent from the individual to whom the captured personal information
5 pertains, except as required by law.

6 (2) With respect to captured personal information generally, a
7 covered entity or Washington governmental entity shall not be
8 required to obtain freely given, specific, informed, and unambiguous
9 opt-in consent from an individual under section 5(2) or 7(1) of this
10 act if:

11 (a) It believes that an emergency involving immediate danger of
12 death or serious physical injury to any individual requires obtaining
13 without delay captured personal information related to the emergency
14 and the request is narrowly tailored to address the emergency,
15 subject to the following limitations:

16 (i) The request shall document the factual basis for believing
17 that an emergency involving immediate danger of death or serious
18 physical injury to an individual requires obtaining without delay
19 captured personal information relating to the emergency; and

20 (ii) Simultaneous with the covered entity or Washington
21 governmental entity obtaining captured personal information under
22 this subsection (a), the covered entity or Washington governmental
23 entity shall use reasonable efforts to inform the individual of the
24 captured personal information obtained; the details of the emergency;
25 and the reasons why the covered entity or Washington governmental
26 entity needed to use, access, or disclose the biometric information
27 and shall continue such efforts to inform until receipt of
28 information is confirmed; and

29 (b) Disclosure is required to respond to a warrant or subpoena
30 issued by a court of competent jurisdiction or a subpoena issued by a
31 governmental entity or pursuant to a pending judicial proceeding:

32 (i) Unless a delayed notice is ordered, both the entity
33 requesting the warrant or subpoena and any entity receiving such
34 warrant or subpoena shall, simultaneous with requesting or receiving
35 a warrant compelling disclosure of or serving or receiving a subpoena
36 for captured personal information, serve or deliver the following
37 information to the subject of warrant or subpoena by registered or
38 first-class mail, email, or other means reasonably calculated to be
39 effective:

1 (A) A copy of the warrant or subpoena and notice that informs the
2 individual of the nature of the inquiry with reasonable specificity;

3 (B) That captured personal information maintained for the
4 individual was supplied to or requested by the requesting entity and
5 the date on which the supplying or request took place;

6 (C) An inventory of the captured personal information requested
7 or supplied; and

8 (D) The identity of the entity or individual from which the
9 information is requested.

10 (ii) A covered entity or Washington governmental entity acting
11 under (d) of this subsection may apply to the court for an order
12 delaying notification, and the court may issue the order if the court
13 determines that there is reason to believe that notification of the
14 existence of the warrant will result in endangering the life or
15 physical safety of an individual, flight from prosecution,
16 destruction of or tampering with evidence, intimidation of potential
17 witnesses, or otherwise seriously jeopardizing an investigation or
18 unduly delaying a trial.

19 (iii) In the case of a subpoena, a covered entity subject to a
20 subpoena shall postpone compliance therewith until it has given the
21 subject of the subpoena notice of the information required under this
22 subsection (2)(b)(i) and has allowed at least 10 business days for
23 the subject to seek review of or otherwise challenge the subpoena;

24 (c) The disclosure is required by state or federal law;

25 (d) Processing involves only deidentified information.

26 (3) This chapter shall not apply to captured personal information
27 captured from a patient by a health care provider or health care
28 facility as defined in RCW 48.41.030 or biometric information
29 collected, used, or stored exclusively for medical education or
30 research, public health or epidemiological purposes, health care
31 treatment, insurance, payment, or operations under the federal health
32 insurance portability and accountability act of 1996, or to X-ray,
33 roentgen process, computed tomography, magnetic resonance imaging,
34 positron emission tomography scan, mammography, or other image or
35 film of the human anatomy used exclusively to diagnose, prognose, or
36 treat an illness or other medical condition or to further validate
37 scientific testing or screening.

38 (4) To the extent the transaction requested by an individual is a
39 covered entity's placement of that individual's personal information
40 in the public domain, such as recording of a real estate deed showing

1 name and address, the covered entity shall have the same rights as
2 any other person or entity with regard to such information.

3 (5) This chapter shall not apply to individuals sharing their
4 personal contact information such as email addresses with other
5 individuals in workplace, social, political or similar settings where
6 the purpose of the information is to facilitate communication among
7 such individuals, provided that any processing of such contact
8 information beyond interpersonal communication shall be covered by
9 this chapter. This chapter shall not apply to entities' publication
10 of entity-based member or employee contact information where such
11 publication is intended to allow members of the public to contact
12 such member or employee in the ordinary course of the entity's
13 operations.

14 (6) Nothing in this chapter shall diminish any individual's or
15 entity's rights or obligations under chapter 70.02 RCW.

16 NEW SECTION. **Sec. 10.** Data protection assessments.

17 (1) Covered entities must conduct and document a data protection
18 assessment of each of the following processing activities involving
19 captured personal information:

20 (a) The processing of captured personal information for purposes
21 of targeted advertising;

22 (b) The processing of captured personal information for the
23 purposes of the sale of captured personal information;

24 (c) The processing of captured personal information for purposes
25 of profiling, where such profiling presents a reasonably foreseeable
26 risk of:

27 (i) Unfair or deceptive treatment of, or disparate impact on,
28 individuals;

29 (ii) Financial, physical, or reputational injury to individuals;

30 (iii) A physical or other intrusion upon the solitude or
31 seclusion, or the private affairs or concerns, of individuals, where
32 such intrusion would be offensive to a reasonable person; or

33 (iv) Other substantial injury to individuals; and

34 (d) Any processing activities involving captured personal
35 information that present a heightened risk of harm to individuals.

36 Such data protection assessments must take into account the type
37 of captured personal information to be processed by the covered
38 entity and the context in which the captured personal information is
39 to be processed.

1 (2) Data protection assessments conducted under subsection (1) of
2 this section must identify and weigh the benefits that may flow
3 directly and indirectly from the processing to the covered entity,
4 individual, other stakeholders, and the public against the potential
5 risks to the rights of the individual associated with such
6 processing, as mitigated by safeguards that can be employed by the
7 covered entity to reduce such risks. The use of deidentified data and
8 the reasonable expectations of individuals, as well as the context of
9 the processing and the relationship between the covered entity and
10 the individual whose personal data will be processed, must be
11 factored into a data protection assessment by the covered entity.

12 (3) The attorney general may request, in writing, that a covered
13 entity disclose any data protection assessment that is relevant to an
14 investigation conducted by the attorney general. The covered entity
15 must make a data protection assessment available to the attorney
16 general upon such a request. The attorney general may evaluate the
17 data protection assessment for compliance with the responsibilities
18 contained in this chapter and, if it serves a civil investigative
19 demand, with RCW 19.86.110. Data protection assessments are
20 confidential and exempt from public inspection and copying under
21 chapter 42.56 RCW. The disclosure of a data protection assessment
22 pursuant to a request from the attorney general under this subsection
23 does not constitute a waiver of the attorney-client privilege or work
24 product protection with respect to the assessment and any information
25 contained in the assessment unless otherwise subject to case law
26 regarding the applicability of attorney-client privilege or work
27 product protections.

28 (4) Data protection assessments conducted by a covered entity for
29 the purpose of compliance with other laws or regulations may qualify
30 under this section if they have a similar scope and effect.

31 NEW SECTION. **Sec. 11.** (1) Private right of action.

32 (a) The legislature finds that the practices of covered entities
33 regulated by this chapter are matters vitally affecting the public
34 interest for the purpose of applying the consumer protection act,
35 chapter 19.86 RCW. A violation of this chapter is not reasonable in
36 relation to the development and preservation of business, and is an
37 unfair or deceptive act in trade or commerce and an unfair method
38 competition for the purpose of applying the consumer protection act,
39 chapter 19.86 RCW.

1 (b) An individual protected by this chapter may not be required,
2 as a condition of service or otherwise, to accept mandatory
3 arbitration of a claim under this chapter or to waive the right to
4 bring an action on behalf of a class similarly situated.

5 (c) A violation of this chapter or a regulation adopted under
6 this chapter with respect to the captured personal information of an
7 individual constitute a rebuttable presumption of harm to that
8 individual.

9 (d) In a private civil action against a covered entity in which
10 the plaintiff prevails, the court shall award the greater of
11 liquidated damages of \$2,000 per violation or actual damages,
12 provided that the court may, in its discretion, increase the damages
13 awarded up to an amount not to exceed three times the actual damages.
14 The court may also award any other relief including, but not limited
15 to, injunctive or declaratory relief, that the court determines
16 appropriate.

17 (e) In a private civil action against a Washington governmental
18 entity under this chapter in which the plaintiff prevails, the court
19 shall award the greater of liquidated damages of \$2,000 per violation
20 or actual damages. The court may also award any other relief
21 including, but not limited to, injunctive or declaratory relief, that
22 the court determines appropriate.

23 (f) In an action brought by the attorney general, the court may
24 award:

25 (i) Injunctive relief, including preliminary injunctions, to
26 prevent further violations of and compel compliance with this
27 chapter;

28 (ii) Civil penalties of up to \$25,000 per violation or up to four
29 percent of annual revenue, whichever is greater, of the covered
30 entity, data processor, or third party;

31 (iii) Other appropriate relief, including restitution, to redress
32 harms to individuals or to mitigate all substantial risk of harm; and

33 (iv) Any other relief the court determines appropriate.

34 (g) In addition to any relief awarded pursuant to (d) through (f)
35 of this subsection, the court shall award reasonable attorneys' fees
36 and costs to any prevailing plaintiff.

37 (2) When calculating damages and civil penalties, the court shall
38 consider the number of affected individuals, the severity of the
39 violation, and the precautions taken to prevent a violation.

1 (3) Each individual whose captured personal information was
2 unlawfully processed, each instance of processing counts as a
3 separate violation. Each provision of this chapter that was violated
4 counts as a separate violation.

5 (4) It is a violation of this chapter for a covered entity,
6 Washington governmental entity, or anyone else acting on behalf of a
7 covered entity or Washington governmental entity to retaliate against
8 an individual who makes a good-faith complaint that there has been a
9 failure to comply with any part of this chapter. An individual who is
10 injured by a violation of this subsection (4) may bring a civil
11 action for monetary damages and injunctive relief in any court of
12 competent jurisdiction.

13 (5) If a series of steps or transactions with regard to a set of
14 personal information are undertaken with the intention of avoiding
15 the intent of this chapter, a court shall disregard the intermediate
16 steps or transactions for purposes of effectuating the purposes of
17 this chapter.

18 (6) Any provision of a contract or agreement of any kind,
19 including a covered entity's terms of service or a privacy policy,
20 including the short-form privacy notice required under section 5(1)
21 of this act, that purports to waive or limit in any way an
22 individual's rights under this chapter, including, but not limited
23 to, any right to a remedy or means of enforcement, shall be deemed
24 contrary to public policy and shall be void and unenforceable.

25 (7) For purposes of causes of action based on violations of this
26 chapter, the statute of limitations period shall commence only upon
27 discovery of the violation of this chapter or of the injury caused by
28 such a violation, whichever occurs later.

29 (8) A covered entity that is a provider of an interactive
30 computer service, as defined in 47 U.S.C. Sec. 230, may not be
31 treated as the publisher or speaker of any personal information
32 provided by another information content provider, as defined in 47
33 U.S.C. Sec. 230. Allowing the posting of information by a user
34 without other action by the interactive computer service is not
35 considered processing of the personal information by the interactive
36 computer service.

37 (9) No private or government action brought pursuant to this
38 chapter shall preclude any other action under this chapter.

39 (10) This section does not apply to any violations that occurred
40 prior to the effective date of this section.

1 NEW SECTION. **Sec. 12.** (1) This chapter shall not supersede
2 local or state laws, regulations, or ordinances except to the extent
3 that it provides stronger privacy protections for individuals.

4 (2) Subject to subsection (3) of this section, covered entities
5 that are subject to federal laws concerning the processing of
6 individuals' captured personal information are covered by this
7 chapter to the extent that it provides stronger privacy protections
8 for individuals than those federal laws and that those federal laws
9 do not preempt state laws.

10 (3) This chapter shall not override any valid law or regulation
11 explicitly compelling disclosure of or giving access to captured
12 personal information such as in chapter 42.17A RCW.

13 NEW SECTION. **Sec. 13.** If any provision of this act or its
14 application to any person or circumstance is held invalid, the
15 remainder of the act or the application of the provision to other
16 persons or circumstances is not affected.

17 NEW SECTION. **Sec. 14.** A new section is added to chapter 42.56
18 RCW to read as follows:

19 Data protection assessments submitted by a covered entity to the
20 attorney general in accordance with the requirements under section 10
21 of this act are exempt from disclosure under this chapter.

22 NEW SECTION. **Sec. 15.** Sections 1 through 12 of this act
23 constitute a new chapter in Title 19 RCW.

24 NEW SECTION. **Sec. 16.** Section 11 of this act takes effect July
25 1, 2024.

26 NEW SECTION. **Sec. 17.** This chapter does not apply to nonprofit
27 corporations until July 31, 2025.

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