



August 9, 2019

The Honorable Anthony Portantino  
Chair, Senate Appropriations Committee  
Room 2206  
State Capitol  
Sacramento, California 95814

Re: AB 1202 (Data broker registry, as amended July 5, 2019)—SUPPORT

Dear Senator Portantino:

The undersigned consumer and privacy groups write in support of AB 1202, which would create a public, mandatory data broker registry. This bill mirrors Vermont legislation that went into effect earlier this year, that helps bring these data brokers, which buy and sell consumer information, typically without the consumers' knowledge, out of the shadows.<sup>1</sup> This bill will ensure that consumers can easily identify and contact these companies. Since the California Consumer Privacy Act (CCPA) gives consumers new rights to access, delete, and opt-out of the sale of their information, this bill would make it easier for consumers to exercise their new privacy rights with respect to these companies.

---

<sup>1</sup> 9 V.S.A. § 2430

These increased controls over data brokers are long overdue. Some data brokers, such as Acxiom and Intelius, collect personal details about consumers' behavior online, their income, and addresses, which is used to create a detailed profile about them.<sup>2</sup> This information is then sold and resold, and often used for marketing and potentially for other purposes, including lending decisions.<sup>3</sup> Many consumers do not even know which data brokers are collecting information about them, or how to contact them. Further, these companies have historically occupied a largely unregulated space: they typically evade the accuracy and transparency requirements placed on credit bureaus by the Fair Credit Reporting Act (FCRA). While data brokers frequently sell information that is used to make employment or other decisions about consumers that would subject them to FCRA, many claim not to be consumer reporting agencies as defined by the FCRA.<sup>4</sup>

By increasing the visibility and accessibility of data brokers, this bill would better enable consumers to exercise their privacy rights under the CCPA. We urge your support of the bill in print. To ensure that the bill remains strong, we will also be urging the author not to take any amendments that could potentially create weakening exemptions.

Sincerely,

Access Humboldt  
CALPIRG  
Center for Democracy & Technology  
Common Sense Media  
Consumer Action  
Consumer Federation of America  
Consumer Federation of California  
Consumer Reports  
Digital Privacy Alliance  
New America's Open Technology Institute  
Privacy Rights Clearinghouse

cc: The Honorable Ed Chau  
Members and Staff, California Senate Appropriations Committee

---

<sup>2</sup> Douglas MacMillan, *Data Brokers are Selling Your Secrets. How States are Trying to Stop Them*, WASH. POST (Jun. 24, 2019) <https://www.washingtonpost.com/business/2019/06/24/data-brokers-are-getting-rich-by-selling-your-secrets-how-states-are-trying-stop-them/>.

<sup>3</sup> *Big Data, A Big Disappointment for Scoring Consumer Credit Risk*, NAT'L CONSUMER LAW CTR. at 15-16 (Mar. 2014), <https://www.nclc.org/images/pdf/pr-reports/report-big-data.pdf> [hereinafter "BIG DATA"].

<sup>4</sup> *Spokeo to Pay \$800,000 to Settle FTC Charges Company Allegedly Marketed Information to Employers and Recruiters in Violation of FCRA*, FED. TRADE COMM'N (Jun. 12, 2012), <https://www.ftc.gov/news-events/press-releases/2012/06/spokeo-pay-800000-settle-ftc-charges-company-allegedly-marketed>; BIG DATA, *supra* note 3, at 26.