

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2020-21		FY 2021-22	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	367,082		379,908	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	367,082		379,908	

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB 746 is the Nebraska Consumer Data Privacy Act, which is designed to enhance the protection of private online data.

Section 4 provides definitions for the Act.

Section 5 provides consumer rights including:

1. Knowing what personal information is being collected;
2. Knowing whether their personal information is sold or disclosed and to whom;
3. The right to decline or opt out of the sale of personal information;
4. Accessing their personal information that has been collected; and
5. Equal services and prices, even if they exercise the rights listed above.

Section 6 gives consumers the right to request that a business collecting personal information disclose what information is collected and where it came from. In addition, consumers have the right to request whether or not the information is being sold or shared.

Section 7 requires businesses to disclose the information in section 6 to the consumer.

Section 8 gives consumers the right to direct a business that sells personal information to third parties not to sell the consumer's personal information. Businesses are prohibited from selling the consumer's personal information after receipt of such direction.

Section 9 allows consumers to request that a business delete any personal information which has been collected. Businesses are required to comply with such requests.

Section 10 prohibits businesses from discriminating against a consumer because the consumer exercises any of the rights under the Act.

Section 13 provides that violators of the Act shall be liable for a civil penalty in a civil action brought by the Attorney General of up to seven thousand five hundred dollars (\$7,500) for each violation.

Section 16 allows the Attorney General to adopt and promulgate rules and regulations to further the purpose and administration of the Act.

The Attorney General estimates the need for 4.0 FTE to address the provisions included in LB 746. These positions include two (2) attorneys, one (1) investigator, and one (1) mediator. The level of staffing that will be required cannot be accurately determined for such a new activity. The workload will be dependent upon the number of violations and resultant effort on the part of the Attorney General's Office. It is possible that the staffing estimate will be lacking; similarly, the staffing estimate could be excessive. Until the new activity has been implemented and operated for some time, an actual staffing level cannot be determined.

No basis to disagree with the Attorney General's estimate.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 746	AM:	AGENCY/POLT. SUB: Nebraska Attorney General (011)
REVIEWED BY: Joe Wilcox	DATE: 1/16/2020	PHONE: (402) 471-4178
COMMENTS: No basis to dispute the Nebraska Attorney General estimate of potential Fiscal impact to the Agency from LB 746.		

Please complete ALL (5) blanks in the first three lines.

2020

LB⁽¹⁾ 746

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Attorney General

Prepared by: ⁽³⁾ Meghan Stoppel Date Prepared: ⁽⁴⁾ 1-15-20 Phone: ⁽⁵⁾ 402-471-2687

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2020-21</u>		<u>FY 2021-22</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS				
CASH FUNDS	<u>367,082.</u>		<u>379,908.</u>	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	<u><u>367,082.</u></u>		<u><u>379,908.</u></u>	

Explanation of Estimate:

LB 746 establishes new requirements for businesses regarding the collection and handling of consumers' personal information. LB 746 also grants Nebraska consumers many new privacy rights, including but not limited to the right to request: 1) what personal information a business collects about the consumer; 2) that the business delete personal information previously collected; and 3) that a business disclose the categories of third parties to which the consumer's personal information was sold or disclosed. Consumers are permitted to opt out of the sale of personal information by a business and a business cannot discriminate against the consumer for exercising this right.

LB 746 shall be enforced through civil actions brought by the Attorney General. The Attorney General's Consumer Protection Division currently enforces Nebraska's Financial Data Protection and Consumer Notification of Data Security Breach Act, Neb. Rev. Stat. § 87-801 et seq., and future enforcement of LB 746 will be handled within this same Division. Enforcement will require additional resources for educating consumers, mediating complaints, investigating potential violations, and prosecuting cases. LB 746 also tasks the Attorney General's Office with responding to any business or third party request for an opinion regarding compliance with the law. Additional staff and funding will be necessary to fulfil this bill's enforcement and guidance mandates.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2020-21</u>	<u>2021-22</u>
	<u>20-21</u>	<u>21-22</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Assistant Attorney General	<u>2</u>	<u>2</u>	<u>130,000.</u>	<u>139,990.</u>
Investigator & Mediator(55,000 & 35,000)	<u>2</u>	<u>2</u>	<u>90,000.</u>	<u>92,070.</u>
Benefits.....			<u>117,082.</u>	<u>117,848.</u>
Operating.....			<u>30,000.</u>	<u>30,000.</u>
Travel.....				

Capital outlay.....	<u> </u>	<u> </u>
Aid.....	<u> </u>	<u> </u>
Capital improvements.....	<u> </u>	<u> </u>
TOTAL.....	<u> 367,082 </u>	<u> 379,908. </u>