

[First Reprint]

SENATE, No. 1913

STATE OF NEW JERSEY
217th LEGISLATURE

INTRODUCED MARCH 10, 2016

Sponsored by:

Senator DAWN MARIE ADDIEGO

District 8 (Atlantic, Burlington and Camden)

Co-Sponsored by:

Senator Beck

SYNOPSIS

"Personal Information and Privacy Protection Act"; restricts collection and use of personal information by retail establishments for certain purposes.

CURRENT VERSION OF TEXT

As reported by the Senate Community and Urban Affairs Committee on June 16, 2016, with amendments.



(Sponsorship Updated As Of: 6/17/2016)

1 AN ACT concerning the collection of certain personal information
2 and supplementing Title 56 of the Revised Statutes.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. This act shall be known and may be cited as the “Personal
8 Information and Privacy Protection Act.”

9

10 2. a. For the purposes of this section:

11 “Identification card” means a driver’s license, issued pursuant to
12 R.S.39:3-10, a probationary license, issued pursuant to section 4 of
13 P.L.1950, c.127 (C.39:3-13.4), a non-driver photo identification card,
14 issued pursuant to section 2 of P.L.1980, c.47 (C.39:3-29.3), or any
15 similar card issued by another state or the District of Columbia for
16 purposes of identification or permitting its holder to operate a motor
17 vehicle.

18 “Scan” means to access the barcode or any other machine-readable
19 section of a person’s identification card with an electronic device
20 capable of deciphering, in an electronically readable format,
21 information electronically encoded on the identification card.

22 b. A retail establishment shall scan a person’s identification card
23 only for the following purposes:

24 (1) to verify the authenticity of the identification card or to verify
25 the identity of the person if the person pays for goods or services with
26 a method other than cash, returns an item, or requests a refund or an
27 exchange;

28 (2) to verify the person’s age when providing age-restricted goods
29 or services to the person;

30 (3) to prevent fraud or other criminal activity if the person returns
31 an item or requests a refund or an exchange and the business uses a
32 fraud prevention service company or system;

33 (4) to establish or maintain a contractual relationship;

34 (5) to record, retain, or transmit information as required by State or
35 federal law;

36 (6) to transmit information to a consumer reporting agency,
37 financial institution, or debt collector to be used as permitted by the
38 federal "Fair Credit Reporting Act," 15 U.S.C. s.1681 et seq.,
39 “Gramm-Leach-Bliley Act,” 15 U.S.C. s.6801 et seq., and the "Fair
40 Debt Collection Practices Act," 15 U.S.C. s.1692 et seq.; or

41 (7) to record, retain, or transmit information by a covered entity
42 governed by the medical privacy and security rules pursuant to Parts
43 160 and 164 of Title 45 of the Code of Federal Regulations,
44 established pursuant to the “Health Insurance Portability and
45 Accountability Act of 1996,” Pub.L.104-191.

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SCU committee amendments adopted June 16, 2016.

1 c. Information collected by scanning a person's identification
2 card pursuant to subsection b. of this section shall be limited to the
3 person's name, address, date of birth, 'the State issuing the
4 identification card.'¹ and identification card number.

5 d. (1) No retail establishment shall retain information obtained
6 pursuant to paragraphs (1) and (2) of subsection b. of this section.

7 (2) Any information retained by a retail establishment pursuant to
8 paragraphs (3) through (7) of subsection b. of this section shall be
9 securely stored, and any breach of the security of the information shall
10 be promptly reported to the Division of State Police in the Department
11 of Law and Public Safety and any affected person, in accordance with
12 section 12 of P.L.2005, c.226 (C.56:8-163).

13 (3) No retail establishment shall sell or disseminate to a third party
14 any information obtained pursuant to this section for any purpose,
15 including marketing, advertising, or promotional activities, except
16 dissemination as permitted by paragraphs (3) through (7) of subsection
17 b. of this section ¹; provided, however, that nothing in this subsection
18 shall be construed to prevent an automated return fraud system from
19 issuing a reward coupon to a loyal customer'¹.

20

21 3. a. Any person who violates the provisions of this act shall
22 be subject to a civil penalty of \$2,500 for a first violation and
23 \$5,000 for any subsequent violation. The penalty prescribed in this
24 section shall be collected in a civil action by a summary proceeding
25 pursuant to the "Penalty Enforcement Law of 1999," P.L.1999,
26 c.274 (C.2A:58-10 et seq.).

27 b. In addition to the penalties described in this section, any
28 person aggrieved by a violation of this act may bring an action in
29 Superior Court to recover damages.

30

31 4. This act shall take effect on the first day of the third month
32 next following the date of enactment.