

**AMENDMENT TO THE AMENDMENT IN THE  
NATURE OF A SUBSTITUTE TO H.R. 6292  
OFFERED BY MRS. TRAHAN OF MASSACHUSETTS**

Page 3, after line 20, insert the following (and re-designate succeeding subsections accordingly):

1       (c) DATA BROKER ANNUAL REGISTRATION.—

2           (1) IN GENERAL.—

3               (A) REGULATIONS.—Not later than 1 year  
4           after the date of enactment of this subsection,  
5           the Commission shall promulgate regulations to  
6           require any data broker to—

7               (i) not later than 18 months after the  
8           date of enactment of this subsection, and  
9           annually thereafter, register with the Com-  
10          mission; and

11              (ii) subject to subparagraph (B), pro-  
12          vide with such registration certain informa-  
13          tion, including—

14              (I) the name and primary phys-  
15          ical, email, and uniform resource loca-  
16          tor (URL) addresses of the data  
17          broker;

1 (II) if the data broker permits an  
2 individual to opt out of the data bro-  
3 ker's collection or use of personal  
4 data, certain sales of such informa-  
5 tion, or its databases—

6 (aa) the method for request-  
7 ing an opt-out;

8 (bb) any limitations on the  
9 type of data collection, uses, or  
10 sales for which an individual may  
11 opt-out; and

12 (cc) whether the data broker  
13 permits an individual to author-  
14 ize a third party to perform the  
15 opt-out on the individual's behalf;

16 (III) a response to a standard-  
17 ized form (as issued by the Commis-  
18 sion) specifying the types of informa-  
19 tion the data broker collects or ob-  
20 tains and the sources from which the  
21 data broker obtains data;

22 (IV) a statement as to whether  
23 the data broker implements a  
24 credentialing process and, if so, a de-  
25 scription of that process;

1 (V) any additional information or  
2 explanation the data broker chooses to  
3 provide concerning its data collection  
4 practices; and

5 (VI) any other information deter-  
6 mined appropriate by the Commission.

7 (B) CONSTRUCTION.—Nothing in this  
8 paragraph shall be construed as requiring a  
9 data broker to disclose any information that is  
10 a trade secret or other kind of confidential in-  
11 formation described in section 552(b)(4) of title  
12 5, United States Code.

13 (2) PUBLIC AVAILABILITY.—

14 (A) IN GENERAL.—The Commission shall  
15 make the information provided pursuant to  
16 paragraph (1)(A)(ii) publicly available in a  
17 downloadable and machine-readable format, ex-  
18 cept in the event that the Commission—

19 (i) determines that the risk of making  
20 such information available is not in the in-  
21 terest of public safety or welfare; and

22 (ii) provides a justification for such  
23 determination.

1 (B) DISCLAIMER.—The Commission shall  
2 include on the website of the Commission a dis-  
3 claimer that—

4 (i) the Commission cannot confirm  
5 the accuracy of the information provided  
6 pursuant to paragraph (1)(A)(ii); and

7 (ii) individuals may contact a data  
8 broker who provided such information at  
9 their own risk.

10 (3) DEFINITIONS.—In this subsection:

11 (A) CREDENTIALING PROCESS.—The term  
12 “credentialing process” means the practice of  
13 taking reasonable steps to confirm—

14 (i) the identity of the entity with  
15 whom the data broker has a direct rela-  
16 tionship;

17 (ii) that any data disclosed to the en-  
18 tity by such data broker will be used for  
19 the described purpose of such disclosure;  
20 and

21 (iii) that such data will not be used  
22 for unlawful purposes.

23 (B) DELETE.—The term “delete” means  
24 to remove or destroy information such that the  
25 information is not maintained in human- or ma-

1 chine-readable form and cannot be retrieved or  
2 utilized in such form in the normal course of  
3 business.

4 (C) DIRECT RELATIONSHIP.—

5 (i) IN GENERAL.—The term “direct  
6 relationship” means a relationship between  
7 an individual and an entity where the indi-  
8 vidual—

9 (I) is a current customer;

10 (II) has obtained a good or serv-  
11 ice from the entity within the prior 18  
12 months; or

13 (III) has made an inquiry about  
14 the products or services of the entity  
15 within the prior 90 days.

16 (ii) EXCLUSION.—The term “direct  
17 relationship” does not include a relation-  
18 ship—

19 (I) between an individual and a  
20 data broker where the individual’s  
21 only connection to the data broker is  
22 based on the individual’s request—

23 (aa) for the data broker to  
24 delete the personal data of the  
25 individual; or

1 (bb) to opt-out of the data  
2 broker's collection or use of per-  
3 sonal data, certain sales of such  
4 information, or its databases; or  
5 (II) required under any State or  
6 Federal law related to the use of per-  
7 sonal data.

8 (D) UNIFORM RESOURCE LOCATOR;  
9 URL.—The term “uniform resource locator” or  
10 “URL” means a short string containing an ad-  
11 dress that refers to an object on the web.

12 (d) CENTRALIZED DATA DELETION SYSTEM.—

13 (1) ESTABLISHMENT.—

14 (A) IN GENERAL.—Not later than 1 year  
15 after the date of enactment of this subsection,  
16 the Commission shall promulgate regulations to  
17 establish a centralized system that—

18 (i) implements and maintains reason-  
19 able security procedures and practices (in-  
20 cluding administrative, physical, and tech-  
21 nical safeguards) appropriate to the nature  
22 of the information and the purposes for  
23 which the personal data will be used, to  
24 protect individuals' personal data from un-

1 authorized use, disclosure, access, destruc-  
2 tion, or modification;

3 (ii) allows a teen, a parent or legal  
4 guardian of a child, or an agent acting at  
5 the request of a teen or the parent or legal  
6 guardian of a child, through a single sub-  
7 mission, to request that every data broker  
8 who is registered under subsection (c) and  
9 who maintains any persistent identifiers  
10 (as described in subparagraph (B)(iii))—

11 (I) delete any personal data re-  
12 lated to such child or teen held by  
13 such data broker or affiliated legal en-  
14 tity of the data broker; and

15 (II) unless otherwise specified by  
16 the teen, parent or legal guardian of  
17 a child, or agent acting at the request  
18 of a teen or the parent or legal guard-  
19 ian of a child, discontinue any present  
20 or future collection of personal data  
21 related to such child or teen; and

22 (iii) allows a registered data broker,  
23 prior to the collection of any personal data  
24 that is tied to a persistent identifier for  
25 which a registry exists, to submit a query

1 to the centralized system to confirm that  
2 the persistent identifier is not subject to a  
3 deletion request described in clause (ii).

4 (B) REQUIREMENTS.—The centralized sys-  
5 tem established in subparagraph (A) shall meet  
6 the following requirements:

7 (i) The centralized system shall allow  
8 a teen, a parent or legal guardian of a  
9 child, or an agent acting at the request of  
10 a teen or the parent or legal guardian of  
11 a child to request the deletion of all per-  
12 sonal data related to such child or teen  
13 and the discontinuation of any collection of  
14 such personal data related to such child or  
15 teen through a single deletion request.

16 (ii) The centralized system shall pro-  
17 vide a standardized form to allow the teen,  
18 parent or legal guardian of a child, or  
19 agent acting at the request of a teen or the  
20 parent or legal guardian of a child to make  
21 such request.

22 (iii) Such standardized form shall in-  
23 clude the email, phone number, physical  
24 address, and any other persistent identifier  
25 determined by the Commission to aid in



1 the deletion request of the teen, parent or  
2 legal guardian of a child, or agent acting  
3 at the request of a teen or the parent or  
4 legal guardian of a child.

5 (iv) The centralized system shall auto-  
6 matically salt and hash all submitted infor-  
7 mation and allow the Commission to main-  
8 tain independent hashed registries of each  
9 type of information obtained through such  
10 form.

11 (v) The centralized system shall only  
12 permit data brokers who are registered  
13 with the Commission to submit hashed  
14 queries to the independent hashed reg-  
15 istries described in clause (iv).

16 (vi) With respect to the independent  
17 hashed registries described in clause (iv),  
18 the salt shall be different for each such  
19 registry and shall be made available to all  
20 registered data brokers for the purposes of  
21 submitting hashed queries, as described in  
22 clause (v).

23 (vii) The centralized system shall  
24 allow the teen, parent or legal guardian of  
25 a child, or agent acting at the request of

1 a teen or the parent or legal guardian of  
2 a child to make such request using an  
3 internet website operated by the Commis-  
4 sion.

5 (viii) The centralized system shall not  
6 charge the teen, parent or legal guardian  
7 of a child, or agent acting at the request  
8 of a teen or the parent or legal guardian  
9 of a child to make such request.

10 (C) TRANSITION.—

11 (i) IN GENERAL.—Not later than 8  
12 months after the effective date of the regu-  
13 lations promulgated under subparagraph  
14 (A), each data broker shall—

15 (I) not less than once every 31  
16 days, access the hashed registries  
17 maintained by the Commission as de-  
18 scribed in subparagraph (B)(iv); and

19 (II) process any deletion request  
20 associated with a match between such  
21 hashed registries and the records of  
22 the data broker.

23 (ii) FTC GUIDANCE.—Not later than  
24 6 months after the effective date of the  
25 regulations promulgated under subpara-

1 graph (A), the Commission shall publish  
2 guidance on the process and standards to  
3 which a data broker must adhere in car-  
4 rying out clause (i).

5 (2) DELETION.—

6 (A) INFORMATION DELETION.—

7 (i) IN GENERAL.—Subject to clause  
8 (ii), not later than 31 days after accessing  
9 the hashed registries described in para-  
10 graph (1)(B)(iv), a data broker and any  
11 associated legal entity shall delete all per-  
12 sonal data in its possession related to the  
13 child or teen that is the subject of a re-  
14 quest and discontinue the collection of per-  
15 sonal data related to such child or teen.  
16 Immediately following the deletion, the  
17 data broker shall send an affirmative rep-  
18 resentation to the Commission with the  
19 number of records deleted pursuant to  
20 each match with a value in the hashed reg-  
21 istries.

22 (ii) EXCLUSIONS.—In carrying out  
23 clause (i), a data broker may retain, where  
24 required, the following information:

1 (I) Any personal data that is  
2 processed or maintained solely as part  
3 of human subjects research conducted  
4 in compliance with any legal require-  
5 ments for the protection of human  
6 subjects.

7 (II) Any personal data necessary  
8 to comply with a warrant, subpoena,  
9 court order, rule, or other applicable  
10 law.

11 (III) Any information necessary  
12 for the data broker to act as described  
13 in subsection (i)(3)(B).

14 (iii) USE OF INFORMATION.—Any per-  
15 sonal data excluded under clause (ii) may  
16 only be used for the purpose described in  
17 the applicable subclause of clause (ii), and  
18 may not be used for any other purpose, in-  
19 cluding marketing purposes.

20 (B) ANNUAL REPORT.—Each data broker  
21 registered under subsection (c) shall submit to  
22 the Commission, on an annual basis, a report  
23 on the completion rate with respect to the com-  
24 pletion of deletion requests under subparagraph  
25 (A).

1 (C) AUDIT.—

2 (i) IN GENERAL.—Not later than 3  
3 years after the date of enactment of this  
4 subsection, and every 3 years thereafter,  
5 each data broker registered under sub-  
6 section (c) shall undergo an independent  
7 third party audit to determine compliance  
8 with this subsection.

9 (ii) AUDIT REPORT.—Not later than 6  
10 months after the completion of any audit  
11 under clause (i), each such data broker  
12 shall submit to the Commission any report  
13 produced as a result of the audit, along  
14 with any related materials.

15 (iii) MAINTAIN RECORDS.—Each such  
16 data broker shall maintain the materials  
17 described in clause (ii) for a period of not  
18 less than 6 years.

19 (3) ANNUAL FEE.—

20 (A) IN GENERAL.—Subject to subpara-  
21 graph (B), each data broker registered under  
22 subsection (c) and who maintains any persistent  
23 identifiers (as described in paragraph  
24 (1)(B)(iii)) shall pay to the Commission, on an

1           annual basis, a subscription fee determined by  
2           the Commission to access the database.

3           (B) LIMIT.—The amount of the subscrip-  
4           tion fee under subparagraph (A) may not ex-  
5           ceed 1 percent of the expected annual cost of  
6           operating the centralized system and hashed  
7           registries described in paragraph (1), as deter-  
8           mined by the Commission.

9           (C) AVAILABILITY.—Any amounts col-  
10          lected by the Commission pursuant to this  
11          paragraph shall be available without further ap-  
12          propriation to the Commission for the exclusive  
13          purpose of enforcing and administering this  
14          subsection, including the implementation and  
15          maintenance of such centralized system and  
16          hashed registries and the promotion of public  
17          awareness of the centralized system.

18          (4) DEFINITIONS.—In this subsection:

19               (A) DELETE.—The term “delete” means  
20               to remove or destroy information such that the  
21               information is not maintained in human- or ma-  
22               chine-readable form and cannot be retrieved or  
23               utilized in such form in the normal course of  
24               business.

1 (B) HASH.—The term “hash” means to  
2 input data to a cryptographic, one-way, collision  
3 resistant function that maps a bit string of ar-  
4 bitrary length to a fixed-length bit string to  
5 produce a cryptographically secure value.

6 (C) HASHED.—The term “hashed” means  
7 the type of value produced by hashing data.

8 (D) HUMAN SUBJECTS RESEARCH.—The  
9 term “human subjects research” means re-  
10 search that—

11 (i) an investigator (whether profes-  
12 sional or student) conducts on a living in-  
13 dividual; and

14 (ii) either—

15 (I) obtains information or bio-  
16 specimens through intervention or  
17 interaction with the individual, and  
18 uses, studies, or analyzes the informa-  
19 tion or biospecimens; or

20 (II) obtains, uses, studies, ana-  
21 lyzes, or generates personal data or  
22 identifiable biospecimens.

23 (E) PROCESS.—The term “process” means  
24 to perform or direct the performance of an op-  
25 eration on personal data, including the collec-

1           tion, transmission, use, disclosure, analysis, pre-  
2           diction, or modification of such personal data,  
3           whether or not by automated means.

4           (F) SALT.—The term “salt” means to add  
5           a random string of data to the input of a hash  
6           function.

