House of Representatives

General Assembly

File No. 677

January Session, 2025

Substitute House Bill No. 6002

House of Representatives, April 14, 2025

The Committee on Government Administration and Elections reported through REP. BLUMENTHAL of the 147th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT SUBJECTING STATE AGENCIES TO THE SAME DATA PROTECTION AND PRIVACY LAWS AS THE PRIVATE SECTOR.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Subsection (a) of section 42-517 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2026*):

(a) The provisions of sections 42-515 to 42-525, inclusive, do not apply to any: (1) Body, authority, board, bureau, commission, district or agency **[**of this state or**]** of any political subdivision of this state; (2) person who has entered into a contract with any body, authority, board, bureau, commission, district or agency described in subdivision (1) of this subsection while such person is processing consumer health data on behalf of such body, authority, board, bureau, commission, district or agency pursuant to such contract; (3) nonprofit organization; (4) private institution of higher education; (5) national securities association that is registered under 15 USC 78o-3 of the Securities Exchange Act of 1934, as

amended from time to time; (6) financial institution or data subject to Title V of the Gramm-Leach-Bliley Act, 15 USC 6801 et seq.; (7) covered entity or business associate, as defined in 45 CFR 160.103; (8) tribal nation government organization; or (9) air carrier, as defined in 49 USC 40102, as amended from time to time, and regulated under the Federal Aviation Act of 1958, 49 USC 40101 et seq., and the Airline Deregulation Act of 1978, 49 USC 41713, as said acts may be amended from time to time.

Sec. 2. Section 42-526 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2026*):

(a) (1) Except as provided in subsection (b) of this section, subsections (b) and (c) of section 42-517 and section 42-524, no person shall: (A) Provide any employee or contractor with access to consumer health data unless the employee or contractor is subject to a contractual or statutory duty of confidentiality; (B) provide any processor with access to consumer health data unless such person and processor comply with section 42-521; (C) use a geofence to establish a virtual boundary that is within one thousand seven hundred fifty feet of any mental health facility or reproductive or sexual health facility for the purpose of identifying, tracking, collecting data from or sending any notification to a consumer regarding the consumer's consumer health data; or (D) sell, or offer to sell, consumer health data without first obtaining the consumer's consent.

(2) Notwithstanding the provisions of section 42-516, the provisions of subsection (a) of this section, and the provisions of section 42-515, and sections 42-517 to 42-525, inclusive, as amended by this act, concerning consumer health data and consumer health data controllers, apply to persons that conduct business in this state and persons that produce products or services that are targeted to residents of this state.

(b) The provisions of subsection (a) of this section shall not apply to any: (1) Body, authority, board, bureau, commission, district or agency **[**of this state or**]** of any political subdivision of this state; (2) person who has entered into a contract with any body, authority, board, bureau,

commission, district or agency described in subdivision (1) of this subsection while such person is processing consumer health data on behalf of such body, authority, board, bureau, commission, district or agency pursuant to such contract; (3) private institution of higher education; (4) national securities association that is registered under 15 USC 78o-3 of the Securities Exchange Act of 1934, as amended from time to time; (5) financial institution or data subject to Title V of the Gramm-Leach-Bliley Act, 15 USC 6801 et seq.; (6) covered entity or business associate, as defined in 45 CFR 160.103; (7) tribal nation government organization; or (8) air carrier, as defined in 49 USC 40102, as amended from time to time, and regulated under the Federal Aviation Act of 1958, 49 USC 40101 et seq., and the Airline Deregulation Act of 1978, 49 USC 41713, as said acts may be amended from time to time.

Sec. 3. Subsection (a) of section 42-529d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2026*):

(a) The provisions of sections 42-529 to 42-529c, inclusive, and section 42-529e shall not apply to any: (1) Body, authority, board, bureau, commission, district or agency **[**of this state or**]** of any political subdivision of this state; (2) organization that is exempt from taxation under Section 501(c)(3), 501(c)(4), 501(c)(6) or 501(c)(12) of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as amended from time to time; (3) individual who, or school, board, association, limited liability company or corporation that, is licensed or accredited to offer one or more programs of higher learning leading to one or more degrees; (4) national securities association that is registered under 15 USC 78o-3, as amended from time to time; (5) financial institution or data that is subject to Title V of the Gramm-Leach-Bliley Act, 15 USC 6801 et seq., as amended from time to time; (6) covered entity or business associate, as defined in 45 CFR 160.103, as amended from time to time; (7) tribal nation government organization; or (8) air carrier, as defined in 49 USC 40102, as amended from time to time, and regulated under the Federal Aviation Act of 1958, 49 USC 40101 et seq., and the Airline Deregulation

Act of 1978, 49 USC 41713, as said acts may be amended from time to time.

Sec. 4. Section 42-516 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2026*):

The provisions of sections 42-515 to 42-525, inclusive, apply to (1) persons that conduct business in this state or persons that produce products or services that are targeted to residents of this state and that during the preceding calendar year: **[**(1)**]** (A) Controlled or processed the personal data of not less than one hundred thousand consumers, excluding personal data controlled or processed solely for the purpose of completing a payment transaction; or **[**(2)**]** (B) controlled or processed the personal data of not less than twenty-five thousand consumers and derived more than twenty-five per cent of their gross revenue from the sale of personal data; and (2) any body, authority, board, bureau, commission, district or agency of this state.

This act shall take effect as follows and shall amend the following sections:		
Section 1	*January 1, 2026*	42-517(a)
Sec. 2	*January 1, 2026*	42-526
Sec. 3	*January 1, 2026*	42-529d(a)
Sec. 4	*January 1, 2026*	42-516

Statement of Legislative Commissioners:
Sections 1(a)(1) and (2), 2(b)(1) and (2) and 3(a)(1) were redrafted and Section 4 was added for clarity and consistency.

GAE *Joint Favorable Subst. -LCO*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 26 $	FY 27 $
Various State Agencies	App Fund - Potential Cost	See Below	See Below

Note: App Fund=All Appropriated Funds

Municipal Impact: None

Explanation

The bill removes provisions that exempt the state from coverage under the Connecticut Data Privacy Act (CTDPA), which results in a potential fiscal impact to the state associated with compliance costs to the extent the bill subjects the state to the CTDPA. It is unclear whether the state will need to comply as it may not fall under the definition of a "person" under CTDPA, as well as lack of enforcement.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis

sHB 6002

AN ACT SUBJECTING STATE AGENCIES TO THE SAME DATA PROTECTION AND PRIVACY LAWS AS THE PRIVATE SECTOR.

SUMMARY

This bill removes provisions that exempt the state from coverage under the Connecticut Data Privacy Act (CTDPA), specifically its provisions on consumer data privacy and online monitoring; consumer health data privacy; and online services, products, or features and minors. In doing so, it generally subjects the state to these laws' requirements and limitations (it is unclear, however, if this subjects the state to CTDPA's provisions on consumer health data privacy, and online services, products, or features and minors).

Among other things, bringing the state under these laws:

1. gives residents certain rights regarding their state-controlled personal data (e.g., to delete their personal data and opt out of personal data processing for certain purposes);

2. requires the state to (a) limit the collection of personal data to what is adequate, relevant, and reasonably necessary and (b) implement reasonable data security practices; and

3. prohibits the state from processing sensitive data (e.g., data revealing certain traits or status or precise geolocation) without consent.

To the extent it subjects the state to CTDPA's provisions on consumer health data privacy, and online services, products, or features and minors, the bill would also:

1. prohibit the state from giving an employee or contractor access

to consumer health data unless they have a contractual or statutory duty of confidentiality and

2. require the state to use reasonable care to avoid causing any heightened risk of harm to minors through certain online services, products, or features.

(It is unclear how these provisions would be enforced against the state, however, as violations of these laws are a violation of the Connecticut Unfair Trade Practices Act and exclusively enforced by the attorney general, who would also have to defend the state in an enforcement action.)

EFFECTIVE DATE: January 1, 2026

CONSUMER DATA PRIVACY AND ONLINE MONITORING

The bill removes an exemption for the state under the CTDPA's provisions on consumer data privacy and online monitoring. Under current law, these provisions apply to persons that conduct business in the state or that produce products or services targeted to state residents, and that during the preceding calendar year controlled or processed the personal data of at least (1) 100,000 consumers, excluding personal data controlled or processed solely to complete a payment transaction, or (2) 25,000 consumers and derived more than 25% of their gross revenue from selling personal data. The bill also applies these provisions to any state body, authority, board, bureau, commission, district or agency.

By extending CTDPA's provisions on consumer data privacy and online monitoring to cover the state, the bill, among other things:

1. gives state residents rights to (a) confirm whether the state is processing their personal data and access their personal data; (b) correct inaccuracies in their personal data; (c) delete personal data provided by, or obtained about, them; (d) obtain a copy of their personal data processed by the state; and (e) opt out of personal data processing for certain purposes (e.g., targeted advertising, personal data sales);

2. requires the state to (a) limit the collection of personal data to what is adequate, relevant, and reasonably necessary; (b) not process personal data for purposes that are neither reasonably necessary to, nor compatible with, the disclosed purposes for which it is processed, as disclosed to the resident, without the resident's consent; (c) establish, implement, and maintain reasonable administrative, technical, and physical data security practices to protect the confidentiality, integrity, and accessibility of personal data; (d) not process a resident's sensitive data without consent; (e) have an effective way for a resident to revoke their consent; and (f) not process a resident's personal data for targeted advertising, or sell it without consent;

3. requires the state to give residents a reasonably accessible, clear, and meaningful privacy notice that includes certain information (e.g., the categories of personal data processed by the state, and how they may exercise their rights);

4. requires the state to conduct and document a data protection assessment for each of its processing activities that presents a heightened risk of harm to a resident; and

5. requires the state, if it has de-identified data, to (a) take reasonable measures to ensure that it cannot be associated with an individual; (b) publicly commit to maintaining and using it without attempting to re-identify the data; and (c) contractually obligate any recipients of the data to comply with all provisions of the data privacy and security law.

CONSUMER HEALTH DATA PRIVACY

The bill similarly removes an exemption for the state under the CTDPA's provisions on consumer health data privacy. (However, it does not explicitly subject the state to these provisions and it is unclear whether the state is subject to them as a "person" (i.e. an individual, association, company, limited liability company, corporation, partnership, sole proprietorship, trust, or other legal entity).) To the

extent it extends these provisions to cover the state, the bill generally prohibits the state from:

1. giving an employee or contractor access to consumer health data unless they have a contractual or statutory duty of confidentiality;

2. giving any processor (a person who processes personal data on a controller's behalf) access to consumer health data unless the state and processor comply with the law on the processor's duties;

3. using a geofence (technology that uses location detection) to establish a virtual boundary within 1,750 feet of a mental health facility or reproductive or sexual health facility for identifying, tracking, collecting data from, or sending a notification to a consumer about the consumer's consumer health data; or

4. selling, or offering to sell, consumer health data without the consumer's consent.

ONLINE SERVICES, PRODUCTS, OR FEATURES AND MINORS

The bill similarly removes an exemption for the state under the CTDPA's provisions on online services, products, or features and minors (but does not explicitly subject the state to them). To the extent it extends these provisions to cover the state, the bill generally requires the state to:

1. use reasonable care to avoid causing any heightened risk of harm to minors through any online service, product, or feature for residents that it has actual knowledge, or willfully disregards knowing, are minors;

2. obtain a minor's consent (or a parent's or guardian's) before (a) processing a minor's personal data for certain reasons (e.g., targeted advertising or profiling for certain automated decisions) or (b) using a system design feature to significantly increase,

sustain, or extend a minor's use of the online service, product, or feature (excluding certain educational services or applications); and

3. conduct a data protection assessment for these online services, products, or features.

BACKGROUND

Related Bill

sSB 1356, favorably reported by the General Law Committee, among other things, expands who is covered under CTDPA by lowering the applicability threshold and including those who (1) control or process a consumer's sensitive data or (2) offer a consumer's personal data for sale in trade or commerce. It also removes current exemptions to apply it to additional entities.

COMMITTEE ACTION

Government Administration and Elections Committee

Joint Favorable
Yea 19 Nay 0 (03/26/2025)