151st GENERAL ASSEMBLY
FEE IMPACT

BILL:	**HOUSE BILL NO. 262**
SPONSOR:	**Representative Griffith**
DESCRIPTION:	**AN ACT TO AMEND TITLE 6 OF THE DELAWARE CODE RELATING TO DATA BROKERS AND CONSUMER PROTECTION.**

In accordance with 29 Del. C. §913, the following information is provided relating to licenses and fees.

Description of the Legislation:
This Act requires the annual registration of data brokers who sell or license consumer data to register with the Consumer Protection Unit (CPU) of the Department of Justice (DOJ); payment of a registration fee determined by the activity of the data broker; reporting requirements regarding the use of personal information to be published in a searchable online format by the DOJ; establishment of civil penalties for data brokers who fail to register or knowingly falsify registration; and creates the Internet Privacy Protection Fund (IPPF).

Registration Fees are based upon the activity of the data broker in the year immediately preceding the date of registration ranging from $10 to $500.

Civil Penalties are defined at $50 for each day, not to exceed a total of $10,000 for each year, for data brokers failing to register or knowingly including false information in a submitted registration.

Affected Entities:
Department of Justice; Office of the State Treasurer

Fiscal Impact:
Revenues generated by these fees and penalties are not likely to start being received several months after this Act is signed into law and after the subsequent design and implementation of a registration system and the hiring of necessary FTE positions. The DOJ believes that this Act provides for a broader definition of data brokers than existing legislation in other states and estimates it is likely that over 2,000 data brokers would be required to register upon enactment. Assuming an average registration fee of $200, it is possible that this Act could generate an average of $400,000 annually starting in Fiscal Year 2024. Estimates for civil penalties are not included in this projection.

Fiscal Year 2023: Assume no significant collection of fees
Fiscal Year 2024: $400,000
Fiscal Year 2025: $400,000

Intended Use of Revenue:
All funds received by the DOJ related to this Act must be placed into the IPPF and are intended to support administrative costs and expenses of the CPU, including payment of salaries for personnel costs, expenses in administering the registration process, costs related to investigations or enforcement actions, consumer education, and outreach relating to information security and privacy.

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