Washington State Privacy Bill Likely Won't Pass This Year

By Allison Grande

Law360 (April 19, 2019, 9:01 PM EDT) -- A Washington state privacy bill that would have given consumers more access to and control over the personal data that online companies hold appears to be dead for this year, after House lawmakers missed the final deadline to move on the legislation.

The state Senate overwhelmingly approved the Washington Privacy Act last month, setting the stage for the Evergreen State to join California as the only U.S. jurisdictions to regulate how <u>Facebook</u>, <u>Google</u>, <u>Microsoft</u> and other internet players collect, use, share and sell consumers' personal information.

But the bill stalled in the state House of Representatives, where a flurry of amendments were floated to further enhance consumer privacy. Ultimately, the chamber failed to vote on the proposal before Wednesday, the last day of the legislative session that lawmakers were allowed to consider non-budget-related matters.

Although lawmakers could still reach a deal to extend that deadline and vote on the measure before they officially adjourn for the year on April 28, Sen. Reuven Carlyle, D-Seattle, on Wednesday slammed the door on any possibility that the proposal could be signed into law before next year.

""#WashingtonPrivacyAct SB 5376 passed the #waleg Senate with unprecedented 46-1 vote," the state senator wrote on <u>Twitter</u>. "We built alignment that well-crafted, strong #dataprivacy is imperative to consumers and society. Unfortunately, House failed to pass privacy legislation this year. We're committed to 2020."

The Washington Privacy Act was brought to the state Senate at the beginning of the legislative session in January, in the wake of California's enactment of a landmark Consumer Privacy Act in June and the implementation of the <u>European Union</u>'s stringent General Data Protection Regulation in May.

The GDPR and the California law — the latter of which is set to take effect in January — both significantly enhanced consumers' privacy rights by placing new restrictions of the use and flow of personal data and requiring companies to be more upfront with their users about what's

being done with this information.

The Washington bill picked up on these themes, although it broke from the mold established by other U.S. state laws that have been proposed in recent months by borrowing heavily from the GDPR rather than the California privacy law to develop tools designed to protect how personal information is used and shared.

Under the Washington law, state residents would have had the right to access data that companies held about them in order to understand who was using that information and why, to correct inaccurate information, to delete certain personal data and to restrict the sale of their data for some purposes, including for targeted advertising.

The legislation also would have established steps that companies would have to take to prevent security breaches, and it would have limited how companies and law enforcement could use facial recognition technology.

Several members of the tech community backed the initiative, including major stakeholders such as Microsoft and the Washington Technology Industry Association. At a January hearing on the bill, Microsoft corporate vice president and deputy general counsel Julie Brill, a former commissioner at the Federal Trade Commission, touted the proposal as a "thoughtful approach" to privacy regulation and urged lawmakers not to pass up on the "historic opportunity" to influence privacy law throughout the U.S.

Some privacy advocates, however, blasted the version of the bill passed by the Senate for not going far enough. In a joint statement released Tuesday — the day before the deadline for the House to act on the legislation — AccessNow, the <u>American Civil Liberties Union</u> of Washington, Common Sense Media, <u>Electronic Frontier Foundation</u>, <u>Privacy Rights</u> <u>Clearinghouse</u> and WashPIRG voiced their opposition to the Senate's draft, saying they preferred the amended House version of the bill.

"Overall, the current Senate draft relies on a flawed structure that vests control over data in the hands of companies, who can override consumer consent and control over their data by relying on a variety of loopholes and exemptions," the groups said. "We oppose it as a step backwards — it fails to give consumers any meaningful control of their data despite being termed a data privacy bill that melds GDPR and CCPA principles. By contrast, the House version at least begins to enact meaningful privacy protections."

Carlyle, who chairs the state Senate's Environment, Energy & Technology Committee, said last month when the full state Senate passed the bill that his proposal had the potential to become "one of the nation's strongest privacy protection measures."

"We're so proud that Democrats and Republicans voted together to recognize that consumer privacy is essential and that data belongs to individuals," Carlyle said in a statement at the time. "This bill carefully, responsibly takes the best practices from Europe, California and other states to build a data privacy regulatory framework that will help set a standard and lead the nation in bringing our data privacy laws into the 21st century."

--Editing by Haylee Pearl.