



**SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE**  
**STATEMENT OF ESTIMATED FISCAL IMPACT**  
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<b>Bill Number:</b>	H. 4812	Introduced on January 14, 2020
<b>Author:</b>	Bryant	
<b>Subject:</b>	Biometric Data Privacy Act	
<b>Requestor:</b>	House Judiciary	
<b>RFA Analyst(s):</b>	Payne	
<b>Impact Date:</b>	March 27, 2020	

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### **Fiscal Impact Summary**

This bill establishes consumer privacy rights for businesses that collect biometric data from consumers. RFA estimates this bill will have no expenditure impact to the General Fund, Federal Funds, or Other Funds as it does not fiscally or operationally affect state agencies.

This bill establishes a fine of \$5,000 for each consumer who is not notified of a biometric data breach within seventy-two hours of the business discovering the breach in addition to any other penalties provided by law. RFA estimates this bill may result in a revenue increase due to the \$5,000 fine. However, data are unavailable to estimate the number of fines that may be imposed, and therefore, the potential amount of the increase is undetermined.

### **Explanation of Fiscal Impact**

#### **Introduced on January 14, 2020**

##### **State Expenditure**

This bill creates privacy protocols for businesses that collect biometric data from consumers. This bill requires businesses that collect biometric data to inform consumers of the specific purpose and uses of the collected information and to obtain consent from every consumer prior to collecting the data. This bill gives consumers the right to request businesses to delete stored biometric data once the initial purpose is satisfied and requires businesses to complete the request in a timely manner. This bill also gives consumers the right to request a business that sells biometric data to stop, and it prohibits businesses from selling data from consumers under the age of sixteen.

Since this bill establishes privacy protocols in the private sector and does not affect operations for any state agency, RFA estimates this bill will have no expenditure impact on the General Fund, Federal Funds, or Other Funds.

##### **State Revenue**

This bill requires businesses who collect biometric data from consumers to handle the information in at least the same or a more protective manner which they treat other confidential or sensitive information. This bill requires a business to notify consumers within seventy-two hours after the discovery of a biometric data breach. A business that fails to notify consumers is subject to a fine of \$5,000 for each consumer that was not notified, in addition to any other penalties provided by law. Due to a lack of available data, RFA is not able to determine the amount, if any, of such fines that will be enforced. Therefore, RFA estimates this bill may result

in an undetermined increase in revenue due to the fine that may be levied against businesses who fail to notify consumers of a data breach.

**Local Expenditure**

N/A

**Local Revenue**

N/A



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Frank A. Rainwater, Executive Director