



**CENTER FOR  
DIGITAL  
DEMOCRACY**

February 2, 2025

Chair Mike Jacobson  
Vice Chair Bob Hallstrom  
Banking, Commerce and Insurance Committee  
Nebraska Legislature  
Room 1117  
P.O. Box 94604  
Lincoln, NE 68509

Re: LB 602 (Juarez) – *SUPPORT*

Dear Chair Jacobson and Vice Chair Hallstrom,

The undersigned organizations write in strong support of LB 602, the Nebraska Delete Act, which would enable consumers to request the deletion of their personal information from all of the state's registered data brokers' records in a single action. LB 602 would also require data brokers to report what information they collect on consumers and would impose civil penalties and fines on data brokers who fail to comply with the registration or deletion requirements. The Delete Act will provide a straightforward, powerful, and critically important tool for protecting the privacy and security of Nebraskans' personal information.

Data brokerage is a multi-billion-dollar industry centered on collecting and selling people's personal data, typically without their knowledge or explicit consent. It poses a host of significant risks to Nebraska residents. Data brokers amass personal dossiers on virtually every American that include thousands of data points, including extremely granular information about people's behavior online and offline, religious practices and beliefs, physical and mental health

conditions, finances, political affiliations, precise geolocation derived from cellphones and connected devices, as well as their inferences about individuals based on this existing data.<sup>1</sup> Some data brokers even collect and sell information about children. This information is then sold and resold, often for marketing but for a variety of other purposes as well, eroding consumers' basic expectation of privacy in the process.<sup>2</sup>

A few examples of data broker-driven harms include:

- *Scamming, stalking, and spying.* Fraudsters and other bad actors can use data brokers to target vulnerable individuals for scams, or otherwise use personal information to cause harm. Some data brokers sell lists of consumers sorted by characteristics like “Rural and Barely Making It,” “Retiring on Empty: Single,” and “Credit Crunched: City Families,” which can be used to target individuals most likely to be susceptible to scams or other predatory products.<sup>3</sup> Data brokers are also commonly used by abusive individuals to locate people, hunt them down, and stalk, harass, intimidate, assault, or even murder them.<sup>4</sup>
- *Predatory use of consumer data.* Data brokers sell data about people who rarely even know the companies even exist—and who have rarely ever affirmatively, expressly consented to this data collection and sale. In some instances, this can result in financially disastrous consequences for consumers. A recent case brought by the Texas Attorney General alleged that Arity, a data broker owned by the insurance company Allstate, secretly harvested information about consumers' driving behaviors (including their precise geolocation data), which it used in some cases to raise consumers'

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<sup>1</sup> See, e.g., Joseph Cox, The Secret Weapon Hackers Can Use to Dox Nearly Anyone in America for \$15, 404 Media (Aug. 22, 2023),

<https://www.404media.co/the-secret-weapon-hackers-can-use-to-dox-nearly-anyone-in-america-for-15-tlo-usinfosearch-transunion/>;

Douglas MacMillan, Data Brokers are Selling Your Secrets. How States are Trying to Stop Them, Wash. Post (Jun. 24, 2019).

<https://www.washingtonpost.com/business/2019/06/24/data-brokers-are-getting-rich-by-selling-your-secrets-how-states-are-trying-stop-them/>.

<sup>2</sup> Big Data, A Big Disappointment for Scoring Consumer Credit Risk, Nat'l Consumer Law Ctr. at 15-16 (Mar. 2014),

<https://www.nclc.org/images/pdf/pr-reports/report-big-data.pdf>.

<sup>3</sup> Consumer Financial Protection Bureau, Protecting Americans from Harmful Data Broker Practices (Regulation V), Proposed Rule; request for public comment, (December 3, 2024),

[https://files.consumerfinance.gov/f/documents/cfpb\\_nprm-protecting-ams-from-harmful-data-broker-practices\\_2024-12.pdf](https://files.consumerfinance.gov/f/documents/cfpb_nprm-protecting-ams-from-harmful-data-broker-practices_2024-12.pdf)

<sup>4</sup> Justin Sherman, Lawfare, People Search Data Brokers, Stalking, and ‘Publicly Available Information’ Carve-Outs, (October 30, 2023),

<https://www.lawfaremedia.org/article/people-search-data-brokers-stalking-and-publicly-available-information-carve-outs>

premiums or deny them coverage altogether.<sup>5</sup> They also sold the driving data to several other insurance companies without consumers' knowledge or consent.

- *Enhanced risks of data breaches.* Data brokers collect trillions of data points on Americans, so they are unsurprisingly a top target for hackers and cyber criminals. Recently, National Public Data, a data broker that specializes in online background checks and fraud prevention services, saw its own data breached, compromising the privacy and security of 2.9 billion consumers whose personal information they trade in, with particular concern for the 170 million individuals across the US, UK and Canada whose sensitive information, including social security number, was exposed.<sup>6</sup> And location data broker Gravy Analytics, which has claimed to “collect, process and curate” more than 17 billion signals from people’s smartphones every day,<sup>7</sup> reportedly suffered a massive data breach that may have leaked the location data of millions of individuals.<sup>8</sup> This type of data makes it trivially easy to reconstruct the everyday comings and goings of individuals, politicians, and even servicemembers.<sup>9</sup>

The Nebraska Delete Act will make it simple for consumers who do not want their information collected, sold, or retained by data brokers to express this preference. First, the bill will require data brokers to register with the Secretary of State, pay a nominal registration fee, and share basic information about what types of personal information they collect and sell. Then, by 2028, the Secretary of State is required to create a website providing access to a “universal deletion mechanism” that allows consumers, via single request, to delete their personal information from every data broker that has collected it.

This ability to take control of your data with a single click is critical; there are hundreds of data brokers—virtually all unknown to consumers—making the task of deleting one’s information from each broker on a one-by-one basis daunting, if not impossible. Previous Consumer Reports (CR) testing has shown that when privacy laws lack universal ways to manage privacy choices, consumers struggle to use them. For example, in researching the effectiveness of

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<sup>5</sup> Office of the Texas Attorney General, Attorney General Ken Paxton Sues Allstate and Arity for Unlawfully Collecting, Using, and Selling Over 45 Million Americans’ Driving Data to Insurance Companies, (January 13, 2025), <https://www.texasattorneygeneral.gov/sites/default/files/images/press/Allstate%20and%20Arity%20Petition%20Filed.pdf>

<sup>6</sup> National Public Data breach: What you need to know, (January 31, 2025), <https://support.microsoft.com/en-us/topic/national-public-data-breach-what-you-need-to-know-843686f7-06e2-4e91-8a3f-ae30b7213535>

<sup>7</sup> Federal Trade Commission, FTC Takes Action Against Gravy Analytics, Venntel for Unlawfully Selling Location Data Tracking Consumers to Sensitive Sites, (December 3, 2024), [https://www.ftc.gov/system/files/ftc\\_gov/pdf/2123035gravyanalyticscomplaint.pdf](https://www.ftc.gov/system/files/ftc_gov/pdf/2123035gravyanalyticscomplaint.pdf)

<sup>8</sup> Joseph Cox, 404Media, Hackers Claim Massive Breach of Location Data Giant, Threaten to Leak Data, (January 7, 2025), <https://www.404media.co/hackers-claim-massive-breach-of-location-data-giant-threaten-to-leak-data/>

<sup>9</sup> Justin Sherman et al., Duke Sanford School of Public Policy, Data Brokers and the Sale of Data on U.S. Military Personnel, (November 2023), <https://techpolicy.sanford.duke.edu/wp-content/uploads/sites/4/2023/11/Sherman-et-al-2023-Data-Brokers-and-the-Sale-of-Data-on-US-Military-Personnel.pdf>

California's privacy law, CR found examples of data brokers utilizing onerous opt-out requirements that prevented consumers from stopping the sale of their information.<sup>10</sup> For 42.5% of sites tested, at least one of three testers could not even find the broker's do not sell link.<sup>11</sup> About 46% of the time, consumers were left waiting or unsure about the status of their do not sell request, and 52% of the time, the tester was "somewhat dissatisfied" or "very dissatisfied" with the opt-out process.<sup>12</sup>

Based on registration patterns in states with similar laws, Nebraska's data broker registry will likely include at least 200 registrations, with the potential for 500 or more, similar to California's experience.<sup>13</sup> A consumer attempting to exercise deletion rights individually would face extreme burdens searching for registered data brokers, navigating complex websites and privacy policies, and managing follow-up communications.<sup>14</sup> During this lengthy process, data brokers continue to buy and sell the consumer's personal information—potentially even to brokers that previously complied with a deletion request. Today, this is an impossible, Sisyphean challenge for Nebraskans; but that changes with LB 602.

This bill's approach will help reduce such opt-out friction and put control back in the hands of Nebraska consumers. For the above reasons, we are proud to support LB 602 and urge the Legislature to pass it.

Sincerely,

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Founder and CEO  
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Consumer Federation of America (CFA)

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<sup>10</sup> Maureen Mahoney, California Consumer Privacy Act: Are Consumers' Rights Protected, Consumer Reports (Oct. 1, 2020), [https://advocacy.consumerreports.org/wp-content/uploads/2021/05/CR\\_CCPA-Are-Consumers-Digital-Rights-Protected\\_092020\\_vf2.pdf](https://advocacy.consumerreports.org/wp-content/uploads/2021/05/CR_CCPA-Are-Consumers-Digital-Rights-Protected_092020_vf2.pdf)

<sup>11</sup> *Id.*

<sup>12</sup> *Id.*

<sup>13</sup> Privacy Rights Clearinghouse, Registered Data Brokers (as of November 2024), (December 12, 2024), [https://public.tableau.com/app/profile/privacy.rights.clearinghouse/viz/RegisteredDataBrokers2024\\_17340798229480/DataBrokerDatabaseShowingMissing](https://public.tableau.com/app/profile/privacy.rights.clearinghouse/viz/RegisteredDataBrokers2024_17340798229480/DataBrokerDatabaseShowingMissing)

<sup>14</sup> McDonald, Aleecia M. and Lorrie Faith Cranor. "The Cost of Reading Privacy Policies." (2009). <https://lorrie.cranor.org/pubs/readingPolicyCost-authorDraft.pdf>

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