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HOUSE BILL 215

47TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2005

INTRODUCED BY

Mimi Stewart

AN ACT

RELATING TO CONSUMER PROTECTION; REQUIRING REMOVAL OF RADIO FREQUENCY IDENTIFICATION TAGS ON CONSUMER GOODS AT POINTS OF PURCHASE; REQUIRING LIMITS ON BUSINESS RELEASE OF PERSONAL INFORMATION; PRESCRIBING PENALTIES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. SHORT TITLE.--This act may be cited as the "Radio Frequency Identification Right to Know Act".

Section 2. DEFINITIONS.--As used in the Radio Frequency Identification Right to Know Act:

- A. "affiliate" means a person related to a business that carries on direct or related functions of the business;
- B. "business" means a corporation, partnership or other entity that collects or aggregates a person's personal information or a merchant that sells consumer goods;

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1	C. "deactivate" means to disable or otherwise
2	render unusable;
3	D. "items" means consumer goods offered for sale by
4	a business;
5	E. "package" means the wrapping or other external
6	container surrounding an item;
7	F. "personal information" means information that a
8	business can use to identify a person, including the name,
9	address, social security number and financial data of the
10	person;
11	G. "radio frequency identification" means

fication" means identification by technologies that use radio waves or other means to identify consumer goods automatically; and

H. "tag" means a device that is able to transmit consumer identification information from an item to a business or affiliate.

Section 3. NOTICES. --

A business that collects or carries items containing tags shall post a notice so informing consumers. Such notice shall state: "This business carries items with radio frequency identification tags. New Mexico law requires that this business remove or disable all radio frequency identification tags before tagged items leave this business and requires this business to provide consumers, on request, with personal information gathered within the business. To file a

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request for personal information gathered on you through radio frequency identification tags used in this business, please contact the manager of this business.".

- B. A business shall post the notice described in Subsection A of this section within ten feet of every entrance to a business that offers items or packages with tags. Such notice shall be unobstructed, posted at eye level and shall be readable by an average viewer from a distance of ten feet.
- C. Upon written request of a consumer, a business that has gathered personal information through tags shall release to the requester all of its stored personal information pertaining to the requester. A business may provide a form for such requests.
- D. A business shall label each item or package that contains or bears a tag with a notice stating that the item or package contains or bears a tag, and that the tag can transmit unique identification information to an independent reader both before and after purchase.
- E. The label shall be posted on the item or package in a conspicuous type size and location and in print that contrasts with the background against which it appears.
- Section 4. REMOVAL.--A business that offers items or packages that contain or bear tags shall remove or deactivate all tags at the point of purchase. In addition:
- $\hbox{A. costs and labor for removal or deactivation of a} \\$ $.\,152333.\,1$

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tag shall be borne by the business;

- B. a business shall not coerce consumers into keeping tags on items or packages by requiring returned items or packages to contain or bear active tags; and
- C. a tag, once removed or deactivated, shall not be reactivated without express consent of the consumer associated with the tagged item.
- Section 5. AGGREGATION OF PERSONAL INFORMATION AND TAGINERATION INFORMATION. --
- A. A business shall not combine or link a consumer's personal information with tag identification information, beyond what is required to manage inventory.
- B. A business shall not, directly or through an affiliate, disclose to a nonaffiliated third party a consumer's personal information in association with tag identification information.
- C. A business shall not, directly or through an affiliate or nonaffiliated third party, use tag identification information to identify a consumer.
- Section 6. ENFORCEMENT BY ATTORNEY GENERAL. -- The attorney general shall enforce the provisions of the Radio Frequency Identification Right to Know Act.

Section 7. VIOLATIONS--PENALTY.--

A. The attorney general may investigate a reported violation of the Radio Frequency Identification Right to Know . 152333.1

Act and shall promptly conduct an investigation to determine whether grounds exist for formally finding a violation. If the attorney general makes that finding, the attorney general shall file an appropriate action against the alleged violator in a court of competent jurisdiction.

- B. In an action brought by the attorney general for a violation pursuant to the provisions of the Radio Frequency Identification Right to Know Act, the district court may order temporary or permanent injunctive relief. The district court shall order restitution and such other relief as may be necessary to redress injury to a person resulting from the violation.
- C. A person may bring an action for violations of the Radio Frequency Identification Right to Know Act in the district court of the county that is the principal place of business of the business or in the district court in any county in which the business has failed to remove or deactivate tags from items leaving the business.
- D. Upon a showing that the Radio Frequency
 Identification Right to Know Act is being violated, the court
 shall award damages and order injunctive relief and shall award
 the cost of the suit, including reasonable attorney fees, to
 the prevailing party.

Section 8. SEVERABILITY. -- If any part or application of the Radio Frequency Identification Right to Know Act is held . 152333. 1

invalid, the remainder or its application to other situations or persons shall not be affected.

EFFECTIVE DATE. -- The effective date of the Section 9. provisions of this act is July 1, 2005.

- 6 -