

1 H.789

2 Introduced by Representatives Roberts of Halifax, Black of Essex, Buss of
3 Woodstock, Chase of Chester, Surprenant of Barnard, and
4 Williams of Barre City

5 Referred to Committee on

6 Date:

7 Subject: Banking and insurance; personal information protection companies;
8 data trusts

9 Statement of purpose of bill as introduced: This bill proposes to establish a
10 study committee to study data trusts and to consider updates to Vermont's
11 statutory provisions governing personal information protection companies.

12 An act relating to establishing the Data Trust Study Committee

13 It is hereby enacted by the General Assembly of the State of Vermont:

14 Sec. 1. DATA TRUSTS; PERSONAL INFORMATION PROTECTION
15 COMPANIES; STUDY COMMITTEE; REPORT

16 (a) Creation. There is created the Data Trusts Study Committee to study
17 data trusts as a model for balancing consumers' privacy rights with the public
18 good flowing from increased data sharing and to consider updates to 8 V.S.A.
19 chapter 78 (Personal Information Protection Companies) informed by the
20 Committee's study of data trusts.

1 (b) Membership.

2 (1) The Committee shall be composed of the following members:

3 (A) two current members of the House of Representatives, not all
4 from the same political party, who shall be appointed by the Speaker of the
5 House;

6 (B) one current member of the Senate, who shall be appointed by the
7 Committee on Committees;

8 (C) one representative of the Department of Financial Regulation;

9 (D) one representative of the Office of the Vermont Attorney
10 General; and

11 (E) three to seven individuals with an interest in modernizing the
12 State's data economy drawn from the legal, business, or information
13 technology communities, together appointed by the remaining members of the
14 Committee after reviewing applications from members of those legal, business,
15 or information technology communities, giving due consideration to an
16 applicant's express interest in balancing the applicant's interests with the
17 public good.

18 (2) If the Committee members assembled pursuant to subdivisions
19 (1)(A)–(D) of this subsection determine there are fewer than three qualified
20 applicants, the Committee shall report that to the Department of Financial
21 Regulation and the Committee shall thereafter cease to exist.

1 (c) Powers and duties. The Committee shall study data trusts as a model
2 for balancing consumers' privacy rights with the public good flowing from
3 increased data sharing and consider updates to 8 V.S.A. chapter 78 (Personal
4 Information Protection Companies) informed by the Committee's study of data
5 trusts. In doing so, the Committee shall evaluate the following:

6 (1) any issues inhibiting the development of personal information
7 protection companies under 8 V.S.A. chapter 78;

8 (2) whether a data trust may be a preferable alternative legal structure to
9 a personal information protection company;

10 (3) the benefits of data stewardship as an alternative legal concept to
11 fiduciary responsibility, including potential revenue and research benefits;

12 (4) the practical ability of data trusts to function as intermediaries
13 between the State, consumers, non-public entities, and data subjects, including
14 consumers;

15 (5) whether there are data market sectors with notable obstacles or
16 opportunities that could be addressed by data trusts, including sectors for
17 medical data, vehicular data, smart-phone and application data,
18 telecommunications data; and chemical health and safety data; and

19 (6) opportunities for the State to generate revenue through a regulated
20 data market, including from fees assessed on personal information companies

1 and data trusts or from establishing a State agency or other entity to negotiate
2 on behalf of consumers with data collectors, including “Big Tech.”

3 (d) Assistance. The Committee shall have the administrative, technical,
4 and legal assistance of the Department of Financial Regulation. For purposes
5 of scheduling meetings and preparing recommended legislation, the Committee
6 shall have the assistance of the Office of Legislative Operations and the Office
7 of Legislative Counsel.

8 (e) Report. On or before December 15, 2024, the Committee shall submit a
9 written report to the House Committee on Commerce and Economic
10 Development and the Senate Committee on Economic Development, Housing
11 and General Affairs with its findings and any recommendations for legislative
12 action. The report may be in the form of proposed legislation.

13 (f) Meetings.

14 (1) The representative of the Department of Financial Regulation shall
15 call the first meeting of the Committee to occur on or before August 31, 2024.

16 (2) The Committee shall select a chair from among its members at the
17 first meeting.

18 (3) A majority of the membership shall constitute a quorum.

19 (4) The Committee shall cease to exist on December 31, 2024.

20 (g) Compensation and reimbursement.

1 (1) For attendance at meetings during adjournment of the General
2 Assembly, a legislative member of the Committee serving in the member's
3 capacity as a legislator shall be entitled to per diem compensation and
4 reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than six
5 meetings.

6 (2) Other members of the Committee shall be entitled to per diem
7 compensation and reimbursement of expenses as permitted under 32 V.S.A.
8 § 1010 for not more than six meetings.

9 (3) Payments to members of the Committee authorized under this
10 subsection shall be made from monies appropriated to the General Assembly.

11 Sec. 2. EFFECTIVE DATE

12 This act shall take effect on July 1, 2024.