

HB436 INTRODUCED



1 HB436
2 G3YU82C-1
3 By Representatives Robbins, Rigsby
4 RFD: Insurance
5 First Read: 18-Mar-25

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4 SYNOPSIS:

5 This bill would prohibit certain covered
6 entities that maintain biological data or neural data
7 from transferring or disclosing a consumer's biological
8 data or neural data to a third party without the
9 express consent of the consumer.

10 This bill would prohibit a covered entity from
11 using a consumer's biological data or neural data for a
12 purpose other than what is necessary to perform the
13 services or provide the goods requested by the
14 consumer.

15 This bill would prohibit a covered entity from
16 marketing to a consumer based on the consumer's
17 biological data or neural data.

18 This bill would require a covered entity to
19 notify a consumer before his or her biological data or
20 neural data is otherwise transferred, disclosed, or
21 used, and would provide the consumer the ability to
22 limit or prevent the transfer, disclosure, or use of
23 the data.

24 This bill would also allow the Consumer Interest
25 Division of the Office of the Attorney General to
26 enforce this act and levy a civil penalty of \$3,000 per
27 violation.
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A BILL

TO BE ENTITLED

AN ACT

Relating to consumer protections; to prohibit a covered entity from disclosing, transferring, or taking certain other actions with regard to a consumer's biological data or neural data without the consumer's express consent; to require the Office of the Attorney General to enforce; and to provide a civil penalty for violations.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. For the purposes of this act, the following terms have the following meanings:

(1) BIOLOGICAL DATA. Data generated by: (i) the technological processing, measurement, or analysis of an individual's biological, genetic, biochemical, physiological, or neural properties, compositions, or activities; or (ii) an individual's body or bodily functions, which is used or intended to be used for identification purposes.

(2) CONSUMER. Any individual who is an Alabama resident.

(3) COVERED ENTITY. Any individual or entity that maintains, owns, or licenses biological data or neural data in the course of the individual's or entity's business, vocation, or occupation.

(4) EXPRESS CONSENT. A consumer's acknowledgment or permission, in writing or captured electronically, to a clear,



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57 meaningful, and prominent written notice regarding the
58 disclosure or use of the consumer's biological data or neural
59 data.

60 (5) NEURAL DATA. Information that is generated by the
61 measurement of the activity of an individual's central or
62 peripheral nervous systems and that can be processed by or
63 with the assistance of a device.

64 Section 2. (a) A covered entity may not do any of the
65 following without the express consent of the consumer, given
66 before each specific transfer, disclosure, or use takes place:

67 (1) Transfer a consumer's biological data or neural
68 data to a third party.

69 (2) Disclose the consumer's biological data or neural
70 data to a third party for a reason other than fulfillment of
71 the entity's products or services.

72 (3) Use the consumer's biological data or neural data
73 for a purpose other than what is necessary to perform the
74 services or provide the goods reasonably expected by an
75 average consumer who requests those goods of services.

76 (4) Market to a consumer based on the consumer's
77 biological data or neural data.

78 (b) A covered entity that transfers, discloses, or uses
79 a consumer's biological data or neural data for purposes other
80 than those provided in subsection (a), before the transfer,
81 disclosure, or use, shall notify the consumer that the
82 information may be transferred, disclosed, or used for a
83 specified purpose and provide the consumer the opportunity to
84 limit or prevent the transfer, disclosure, or use of the



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85 biological data or neural data.

86 Section 3. (a) Any consumer may report a violation of
87 this act to the Consumer Interest Division of the Office of
88 the Attorney General.

89 (b) The Consumer Interest Division of the Office of the
90 Attorney General may enforce this act by a civil action in
91 circuit court to enjoin any practice or conduct in violation
92 of this act or to recover a civil penalty of up to three
93 thousand dollars (\$3,000) for each violation.

94 (c) Any civil penalty and costs may be waived if the
95 covered entity has made full restitution or has paid actual
96 damages to any consumer who has been injured by a violation of
97 this act.

98 (d) In any settlement of a claim or civil action
99 resulting from a violation of this act, the Office of the
100 Attorney General shall receive reasonable attorney fees and
101 costs.

102 Section 4. This act shall become effective on October
103 1, 2025.