

House Bill 2395

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of Attorney General Ellen Rosenblum)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires person that manufactures, sells or offers to sell connected device to equip connected device with reasonable security features that protect information that connected device collects, contains, stores or transmits from access, destruction, modification, use or disclosure that consumer does not authorize.

A BILL FOR AN ACT

1
2 Relating to security measures required for devices that connect to the Internet; creating new provisions; and amending ORS 646.607.

3
4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. (1) As used in this section:**

6 (a) **“Connected device” means a device or other physical object that can connect, directly**
7 **or indirectly, to the Internet or to another connected device.**

8 (b) **“Consumer” means a resident of this state who purchases or obtains a connected**
9 **device for personal, family or household use.**

10 (2) **A person that manufactures, sells or offers to sell a connected device to a consumer**
11 **shall equip the connected device with reasonable security features that are appropriate to**
12 **the nature of the connected device and that protect the connected device and any informa-**
13 **tion the connected device collects, contains, stores or transmits from access, destruction,**
14 **modification, use or disclosure that the consumer who owns or possesses the connected de-**
15 **vice does not authorize.**

16 (3) **This section does not:**

17 (a) **Require a provider of an electronic store, gateway, marketplace or other means for**
18 **purchasing or downloading software or firmware to verify or enforce compliance with the**
19 **provisions of this section.**

20 (b) **Require a person to prevent a consumer from having or obtaining full control over a**
21 **connected device, including the ability to modify the connected device or any software or**
22 **firmware installed on the connected device.**

23 (c) **Limit the authority of a law enforcement officer or law enforcement agency to obtain**
24 **information from a person that manufactures, sells or offers to sell a connected device as**
25 **provided by law or authorized in an order from a court of competent jurisdiction.**

26 (4) **This section does not apply to:**

27 (a) **A connected device on which a consumer installs or otherwise adds software or other**
28 **devices that the manufacturer of the connected device does not approve for use with the**
29 **connected device or that damages, evades, disables or otherwise modifies the security fea-**
30 **tures that a person that manufactures, sells or offers to sell a connected device incorporates**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 into the connected device.

2 (b) A covered entity, a health care provider, a business associate, a health care service
3 plan, a contractor, an employer or another person that is subject to the Health Insurance
4 Portability and Accountability Act of 1996 (P.L. 104-191, 110 Stat. 1936) or regulations
5 promulgated under the Act, with respect to any action that the Act regulates.

6 (5) The duties and obligations that this section imposes are in addition to and not in lieu
7 of any other duties and obligations imposed under other applicable law and do not relieve any
8 person from the person's duties and obligations under any other applicable law.

9 (6) A person that manufactures, sells or offers to sell a connected device without the
10 security features described in subsection (2) of this section engages in an unlawful trade
11 practice under ORS 646.607.

12 **SECTION 2.** ORS 646.607 is amended to read:

13 646.607. A person engages in an unlawful trade practice if in the course of the person's business,
14 vocation or occupation the person:

15 (1) Employs any unconscionable tactic in connection with selling, renting or disposing of real
16 estate, goods or services, or collecting or enforcing an obligation[;].

17 (2) Fails to deliver all or any portion of real estate, goods or services as promised, and at a
18 customer's request, fails to refund money that the customer gave to the person to purchase the
19 undelivered real estate, goods or services and that the person does not retain pursuant to any right,
20 claim or defense the person may assert in good faith. This subsection does not create a warranty
21 obligation and does not apply to a dispute over the quality of real estate, goods or services delivered
22 to a customer[;].

23 (3) Violates ORS 401.965 (2)[;].

24 (4) Violates a provision of ORS 646A.725 to 646A.750[;].

25 (5) Violates ORS 646A.530[;].

26 (6) Employs a collection practice that is unlawful under ORS 646.639[;].

27 (7) Is a beneficiary that violates ORS 86.726 (1)(a) or (2), 86.729 (4) or 86.732 (1) or (2)[;].

28 (8) Violates ORS 646A.093[;].

29 (9) Violates a provision of ORS 646A.600 to 646A.628[;].

30 (10) Violates ORS 646A.808 (2)[;].

31 (11) Violates ORS 336.184[; or].

32 (12) Publishes on a website related to the person's business, or in a consumer agreement related
33 to a consumer transaction, a statement or representation of fact in which the person asserts that
34 the person, in a particular manner or for particular purposes, will use, disclose, collect, maintain,
35 delete or dispose of information that the person requests, requires or receives from a consumer and
36 the person uses, discloses, collects, maintains, deletes or disposes of the information in a manner
37 that is materially inconsistent with the person's statement or representation.

38 (13) Violates section 1 (2) of this 2019 Act.

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