Nevada privacy law compliance guide

The complete guide to complying with Nevada's privacy law – Nevada Revised Statutes Chapter 603A



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About the author



Hi! My name is Donata Stroink-Skillrud and I am a privacy law attorney and a Certified Information Privacy Professional. I'm also the President and legal engineer of Termageddon, LLC, a SaaS that has generated thousands of Privacy Policies and kept them up to date with changing legislation. I also serve as the Vice-Chair of the American Bar Association's ePrivacy Committee and as the Chair of the Chicago Chapter of the International Association of Privacy Professionals.

Disclaimer: this guide is not intended to be, nor should it be taken as, legal advice. You should consult with your own attorney before implementing compliance with the Nevada privacy law.

NEVADA PRIVACY LAW

An introduction

While almost everyone has by now heard of the California Consumer Privacy Act ("CCPA") and the General Data Protection Regulation ("GDPR"), some clients (and even attorneys) are surprised to hear that Nevada has a privacy law too – Nevada Revised Statutes Chapter 603A. While the law is certainly not as robust as GDPR or CCPA, it does include very important protections for consumer privacy, including Privacy Policy transparency requirements and the right for consumers to opt out of the sale of their personal information.

Nevada Revised Statutes Chapter 603A is also evolving and has already gone through two important amendments. The law was first amended in 2019 with the passage of SB220. SB220 prohibits covered businesses from selling the personal information of consumers if those consumers have opted out of such sales, requires businesses to establish an opt-out mechanism for such sales, and calls for businesses to publish that mechanism on their Privacy Policy.

The law was amended again in 2021 by the passage of SB260. SB260 adds a requirements that data brokers must comply with the law, allows the Attorney General to seek an injunction or a civil penalty against a data broker that violates the law, revises the definition of "sale" and limits the ability of operators to cure a violation.

Nevada's privacy law has been amended twice – once in 2019 and again in 2021.

Who does it apply to? Does your business need to comply with the Nevada privacy law?

The Nevada privacy law applies to "operators", which are defined as any person who meets all of the below:

(a) Owns and operates a website or online service for business purposes;

(b) Collects and maintains the personal information from consumers who reside in Nevada and use or visit the internet website or online service; and

(c) Purposefully directs its activities towards Nevada, consummates a transaction with the state of Nevada or a resident of Nevada, purposefully avails itself of the privilege of conducting activities in Nevada or otherwise engages in any activity that constitutes sufficient nexus with Nevada to satisfy the requirements of the U.S. Constitution.

SB260 added that data brokers will need to comply with the law as well. In this case, "data broker" means a person whose primary business is purchasing covered information about consumers with whom the person does not have a direct relationship and who reside in Nevada from operators or other data brokers and making sales of such covered information.

Examples

Does your business need to comply with the Nevada privacy law?

The following are examples of some businesses to which the Nevada privacy law would apply:

- 1. Businesses that advertise their products or services in Nevada;
- 2. Businesses that ship their products or services to Nevada;
- 3. Businesses that sell their products or services to residents of Nevada.

When does the law not apply?

The Nevada notice provisions of the privacy law do not apply to you if you meet all of the following:

(a) You are located in Nevada;

(b) Your revenue is derived primarily from a source other than selling goods, services or credit on your website or online service; and

(c) Your website or online service has less than 20,000 unique visitors per year.

The law also does not apply to you if you are a financial institution that is regulated by the Gramm-Leach Bliley Act, if you are subject to HIPAA or if you manufacture, service or repair motor vehicles.

Finally, the law does not apply to you if you operate, host or manage a website or online service on behalf of a third party. Note that the law would still apply to the third party.

What is "personal information"? Do you collect these types of information from residents of Nevada?

The Nevada privacy law applies to you if you meet the requirements noted earlier and you collect one or more of the following types of information from residents of Nevada via your website or online service:

(a) First and last name;

(b) A home or other physical address that includes the name of a street and the name of a city or town;

(c) E-mail address;

(d) Phone number;

(e) Social security number;

(f) Any identifier that allows a person to be contacted either physically or online;

(g) Any other information collected about a person that, in combination with any of the above, can be used to identify a person. If the Nevada privacy law applies to you, you are required to have a Privacy Policy.

What does your Privacy Policy need to contain?

Is your current Privacy Policy compliant with the law?

According to the Nevada privacy law (original text), your Privacy Policy needs to contain the following:

(a) The categories of personal information collected;

(b) The categories of third parties with whom that information is shared;

(c) A description of the process (if such process exists) for the user to review and request changes to his or her personal information;

(d) A description of the process by which you let users know of any changes to your Privacy Policy (if such process exists);

(e) If a third party collects information about the user throughout different websites (e.g. cookies); and

(f) The effective date of the Privacy Policy.

What are the requirements of SB220?

Are you compliant with the amendment of the law?

The SB220 amendment to the Nevada privacy law requires you to establish a designated request address through which a user may submit a request asking you not to sell their personal information.

The SB260 amendment to the law changed the definition of sale to mean the exchange of covered information for monetary consideration by an operator or data broker to another person. The previous requirement that the other person licenses or sells the covered information to additional persons has been removed by this amendment.

A designated request address can be an email address, toll-free phone number or website where a consumer can submit the request. This address must be published on your website's Privacy Policy.

When you receive such a request, you must respond to the request within 60 days of the receipt of the request and must not sell the personal information of that consumer. The penalty for non-compliance is a maximum of \$5,000 per violation. An operator is able to remedy a violation of the law without being fined only once.

Compliance checklist

What you need to do to comply with the law

To comply with the Nevada privacy law, you must do the following:

Make sure that you have a Privacy Policy that has all of the required disclosures;

Update your Privacy Policy to disclose whether you sell the personal information of users;

Update your Privacy Policy with the designated address where users from Nevada may opt out of you selling their information (if you do sell it); and

Create standard operating procedures for processing the requests of Nevada residents.

Don't have the time to update your Privacy Policy every time the laws change?

Sign up for Termageddon today

We will update your Privacy Policy whenever the laws change, including for the Nevada privacy law.