

A bill for an act relating to digital rights; establishing the Data Distribution Fairness Act; proposing coding for new law in Minnesota Statutes.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. SHORT TITLE.

This act may be cited as the “ Data Distribution Fairness Act ” (DDFA).

Sec. 2. PURPOSE AND FINDINGS.

The legislature finds that personal data has measurable economic value and that individuals lack meaningful control over its collection, processing, and monetization. Unauthorized or undisclosed data monetization undermines privacy, public trust, and fair economic participation. This act establishes rights and obligations to ensure transparency, consent-based data practices, and fair compensation.

Sec. 3. DEFINITIONS.

(a) “ Personal data ” means any information relating to an identified or identifiable individual. (b) “ Data broker ” means any entity that sells, licenses, or otherwise monetizes personal data that it did not collect directly from the individual. (c) “ Profiling ” means any form of automated processing used to evaluate personal attributes. (d) “ Monetization ” means any transaction or revenue-generating use of personal data.

Sec. 4. INDIVIDUAL RIGHTS.

(a) Individuals have the right to: (1) transparency regarding data collection and use; (2) access and obtain a copy of their personal data; (3) correction of inaccurate data; (4) deletion of personal data when legally permitted; (5) opt-in consent for data monetization; (6) receive fair compensation when personal data is monetized.

Sec. 5. LIMITATIONS ON DATA COLLECTION AND USE.

(a) Data collection must be limited to what is reasonably necessary for the disclosed purpose. (b) Dark patterns or coercive consent mechanisms are prohibited. (c) Personal data collected for one purpose may not be used for an incompatible secondary purpose without explicit opt-in consent.

Sec. 6. DATA MONETIZATION AND COMPENSATION.

(a) No entity may monetize personal data without express opt-in consent. (b) Individuals whose data contributes to monetized products or services are entitled to equitable financial compensation. (c) Data brokers must maintain transparent accounting of monetized datasets.

Sec. 7. PROFILING AND ALGORITHMIC ACCOUNTABILITY.

(a) Automated decisions that significantly affect individuals must include a right to human review. (b) Entities must provide meaningful explanations of algorithmic outputs. (c) Harmful or discriminatory profiling is prohibited.

Sec. 8. DATA BROKER REGISTRATION.

(a) All data brokers operating in Minnesota must register annually with the state. (b) Registrants must disclose sources, uses, and monetization practices. (c) Failure to register constitutes a violation subject to penalties.

Sec. 9. SECURITY AND BREACH NOTIFICATION.

(a) Entities processing personal data must implement reasonable security measures. (b) Data breaches must be disclosed to affected individuals within 72 hours.