

NAR Committee:

Federal Technology Policy Committee

What is the fundamental issue?

Given public concern over consumer data privacy, data breaches and online marketing/advertising, Congress has been considering legislation to strengthen data collection, storage and flow regulations; require privacy notices; and impose other information safeguards.

I am a real estate professional. What does this mean for my business?

Real estate professionals collect, store, and share a great deal of consumer information. REALTORS® recognize the importance of protecting consumer data and support commonsense data privacy and security safeguards that are effective and avoid unduly burdening small businesses.

NAR Policy:

Supports a single federal standard for data privacy and security laws consistent with the following principles:

- **Collection of personal information should be transparent.** REALTORS® respect consumer data privacy expectations, and develop, implement and communicate data privacy/security policies to clients.
- **Use, collection and retention of personally identifiable information.** REALTORS® collect and use data only to provide consumer services, and maintain appropriate policies for the reasonable retention and proper destruction of any personally identifiable information.
- **Data Security.** REALTORS® maintain reasonable security standards and procedures regarding access to client information.
- **Disclosure of personally identifiable information.** REALTORS® do not reveal personally identifiable data to third parties unless information helps complete a consumer initiated transaction; the consumer requests it; the disclosure is required or allowed by law; or the consumer has been informed about the possibility of disclosure and provided with an opportunity to opt-out.
- **Maintaining consumer privacy in business relationships.** If a REALTOR® provides personally identifiable information on behalf of a consumer, the third party should adhere to privacy principles like REALTORS®.

Opposition Arguments:

Opponents of legislation/regulation are generally concerned about limiting business practices which could curtail business models or create excessive costs for business. Others believe that these proposals do too little to protect consumers.

Legislative/Regulatory Status/Outlook

Congress has been considering legislative proposals which:

- Cover entities handling sensitive information with few exceptions;
- Set data security standards for banks and non-banks;
- Provide for enforcement by banking regulators and by the Federal Trade Commission for non-banks;
- Ensure equivalent enforcement by banking and non-banking regulators, with requirement that agencies coordinate on equivalent enforcement and penalties; and
- Provide for a federal preemption of certain state and common laws.

Current Legislation/Regulation (bill number or regulation)

Congressional authorizing committees have not introduced legislation at this time.

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