

California RFID Legislation Rejected

The state assembly's Committee on Business and Professions voted against a bill seeking to set privacy standards for RFID technology.

By Claire Swedberg

July 5, 2004—A California bill seeking to set privacy standards for RFID technology use in the state was defeated by members of the California state assembly. The assembly's Committee on Business and Professions voted against the bill 8-0, with five abstentions, ending its progress through the state legislature on June 25.

Opponents convinced the majority of the committee members that the timing for the bill (SB1834) was wrong and that the bill should not precede the actual installation of RFID in businesses and libraries. Opponents indicated in a letter to assembly members that it was inappropriate to pass legislation regarding a technology before it had been determined how RFID tags would actually be used.

The bill's opponents consisted of a coalition of business groups including Hewlett Packard, the American Electronics Association, the California Chamber of Commerce, the California Grocers Association, the California Retailers Association and Grocery Manufacturers of America.

The coalition stated that it would be a mistake to place restrictions on RFID technology at a time when the technology is at its infancy. It argued that the legislation could have unintended consequences, although it did not elaborate on those consequences.

Sponsored by State Senator Debra Bowen (D-Redondo Beach), the California bill had passed the state's senate on a 22-9 vote in April (see [States Move on RFID Privacy Issue](#)). SB1834 would have restricted the way businesses and libraries in California use RFID tags attached to consumer products or using an RFID reader that could be used to identify an individual. The only information the RFID system would have been allowed to collect would have been in regard to items customers were actually buying, renting or borrowing. The bill would have prohibited businesses or libraries from using an RFID system to collect information on tagged items that the customer may have picked up but put back prior to a transaction, or to collect information from tags on clothing people were wearing and on items they were carrying in a wallet or purse. If the committee had passed the bill, it would have gone to the California Assembly floor.

A spokesperson for Bowen indicated that the senator strongly disagrees with the assertions made by the bill's opponents. Instead, Bowen believes RFID-related legislation needs to precede the use of the technology because once the technology is in use, companies that have already deployed RFID systems may find new restrictions on RFID to be difficult and expensive to carry out.

Bowen has the option of reintroducing the bill to the state senate in January 2005, at beginning of next year's session. While Bowen has said she intends to continue working on RFID-related legislation, she has not stated whether she intends to reintroduce the bill at that time. In the meantime, businesses and libraries are expected to move forward on their plans to use RFID technology. In May, for example, the San Francisco Public Library Commission approved a plan to implement a system that use RFID tags to keep track of books and other library material, although that system is expected to take several years to deploy.

Several other states are considering RFID privacy-related legislation. Maryland's House of Delegates has established a task force to study the use of RFID tags by retailers and manufacturers. Massachusetts and Virginia are also considering RFID-related bills. This week, the Virginia Joint Commission on Technology and Science (JCOTS), which consists of 12 legislators from the Virginia General Assembly, will hold a meeting to study "invasive technologies" (those that have the potential to infringe on the civil rights of individuals), including RFID.

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