

TENNESSEEInformation Protection Act

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Please note this is a highlighted overview and not a complete overview of privacy laws for this state. If you would like a complete review of this state's privacy laws or a multi-state privacy compliance cheat sheet on specific topics, please contact Vivien Peaden at vpeaden@bakerdonelson.com.

Disclaimer: These materials do not constitute legal advice and should not be substituted for the advice of legal counsel.

The Tennessee Information Protection Act (TIPA)

Effective Date: July 1, 2025

1. Applicability Thresholds: Subject to certain entity-level and data-level exemptions, the TIPA applies to a natural or legal person conducting business in the State of Tennessee or producing products or services targeted to Tennessee residents (consumer):



having \$25 million or more in revenue; and

controlling or processing:



175,000+ Tennessee consumers' personal information;



or



25,000+ Tennessee consumers' personal information and derive more than 50 percent of its **revenue** from the sale of personal information.

2. **Key Definitions:**



Sales of Personal Information: "Sale of personal information" is narrowly defined as the exchange of personal information for valuable monetary compensation subject to certain exemptions.

3. Business Obligations: The TIPA imposes additional obligations on persons who, alone or jointly with others, determine the purpose and means of processing personal information (Controller):



Data Processing Agreement (DPA): Processing activities by a supplier on the Controller's behalf (Processor) shall be governed by a DPA between the Controller and Processor.



Data Protection Assessment. Controllers must conduct and document a data protection assessment for various high-risk processing activities.



Privacy Notice: Yes, a Controller must provide consumers with a privacy policy, including a list of required information.



Universal Opt-out Mechanism: None.

4. Consumer Rights: Subject to certain exceptions, a Tennessee consumer has the right to:



Confirm whether a Controller is processing their personal information and **accessing** the personal information;



Correct inaccuracies in the consumer's personal information;



Delete personal information provided by, or obtained about, the consumer (subject to certain exceptions);



Obtain a copy of the personal information that <u>the consumer provided to the Controller</u> in a portable and readily usable format; and



Opt-out of data processing for targeted advertising, sales of personal information, and profiling in furtherance of decisions that produce legal or similarly significant effects concerning the consumer.

5. Enforcement and Penalties:



Private Right of Action: None.



Penalties: Up to \$7,500 per violation in civil penalties. If the court finds the Controller or Processor willfully or knowingly violated the act, the court may, in its discretion, award treble damages.



Cure Period: There is a 60-day cure period; unlike some states, this is a permanent cure period that does not have a cutoff date.



Safe Harbor. Controllers and Processors have an affirmative defense to violations if they create, maintain, and comply with a written privacy policy that reasonably conforms to the National Institute of Standards and Technology (NIST) privacy framework as well as other requirements.