

July 14, 2026

*NEW JERSEY BANS THE SALE AND LICENSING OF SENSITIVE DATA: COMPLIANCE  
GUIDELINES FOR BUSINESSES*

***By: Priya Persaud, Esq.***

The New Jersey Sensitive Data Law (“NJSDL”) amends the New Jersey Data Privacy Act (“NJDPa”) by prohibiting the sale of sensitive data and imposing new registration, disclosure and compliance obligations on data brokers and data collectors that sell or license sensitive data. The NJSDL introduces a tiered registration regime and imposes civil penalties for noncompliance. It also directs the New Jersey Division of Consumer Affairs (“NJDCa”) to establish and maintain a public registry of data brokers and data collectors, which is expected to launch in the spring of 2027.

Both the NJSDL and the NJDPa define a data broker as an entity or person that collects or purchases personal data from consumers it has no direct relationship with and then sells or licenses such personal data to third parties. The NJSDL now introduces the concept of “data collectors,” which include any business or business unit that collects personal consumer data with whom it has a direct relationship and sells or licenses such personal consumer data to data brokers. Under the NJSDL, data brokers and data collectors that did not satisfy or were not subject to revenue or data volume thresholds set forth in the NJDPa may now be subject to the NJSDL.

**Sensitive Data and Exceptions to the NJSDL:**

The NJSDL prohibits the sale or licensing of “sensitive data,” which includes personal data revealing racial or ethnic origin; religious beliefs; mental or physical health condition, treatment, or diagnosis; financial information; sex life or sexual orientation; citizenship or immigration status; status as transgender or non-binary; genetic or biometric data that may be processed for the purpose of uniquely identifying an individual; personal data collected from a known child; or precise geolocation data.

The NJSDL contains exemptions for information that is already regulated under federal law, such as protected health information that is subject to the Health Insurance Portability and Accountability Act (“HIPAA”), personal information held by national securities associations under the Securities Exchange Act of 1934 and certain other categories of information governed by federal law.

**Data Broker or Data Collector Registration Fees and Required Disclosure:**

All data brokers and data collectors subject to the NJSDL will be required to pay the appropriate registration fee and make all required disclosures to the NJDCa. Registration fees are based on

Florham Park  
220 Park Avenue  
Florham Park, NJ 07932  
973-539-1000

Paramus  
115 West Century Road  
Suite 100  
Paramus, NJ 07652  
201-262-1600

Sparta  
351 Sparta Avenue  
Sparta, NJ 07871  
973-295-3670

New York  
950 Third Avenue  
11th Floor  
New York, NY 10022  
646-652-7775

the number of New Jersey consumers whose personal data is processed by the data broker or data collector. Fees range from \$5,000 for businesses processing the personal data of 100,000 or fewer New Jersey consumers to \$1,500,000 for businesses processing the personal data of more than 4.5 million New Jersey consumers.

Data brokers and data collectors will be required to disclose specific information, such as whether the data broker or data collector permits individuals to opt out of data collection, the screening processing that the data broker or data collector employs against purchasers of sensitive data, and a listing of processors who process the sensitive data on behalf of the data broker or data collector.

### **Penalties for Noncompliance:**

A data broker or data collector that fails to register with the NJDCA, submit the annual registration fee, or disclose or update the required information is subject to a civil penalty of \$2,500 for each day in violation of the NJSDL. A data broker, data collector, or controller that sells, offers for sale, or licenses sensitive data in violation of the NJSDL is subject to a civil penalty of \$50,000 for each record sold, offered for sale, or licensed.

### **Practical Compliance Guidelines for Businesses:**

Businesses should determine whether they qualify as a data broker or data collector under the NJSDL. If they do, they should determine the volume of New Jersey consumers affected by the sale or licensing of sensitive data, identify the corresponding registration fee and begin preparing the required disclosures well in advance of the spring 2027 registration period.

For more information, contact Priya Persaud, Esq. at [ppersaud@spsk.com](mailto:ppersaud@spsk.com) or 973-540-7301.

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