



Feb 6, 2024

House Committee on Commerce and Economic Development
Attn: Jon Gray, Legislative Counsel
115 State Street
Montpelier, VT 05633

Re: H. 121 - An act relating to enhancing consumer privacy

Dear Chair Marcotte and Members of the Commerce and Economic Development Committee:

On behalf of the Computer & Communications Industry Association (CCIA), I write to respectfully raise some concerns with H. 121, An act relating to enhancing consumer privacy.

CCIA is an international, not-for-profit trade association¹ representing a broad cross-section of communications and technology firms. CCIA supports the enactment of comprehensive federal privacy legislation to promote a trustworthy information ecosystem characterized by clear and consistent consumer privacy rights and responsibilities for organizations that collect and process data. A uniform federal approach to the protection of consumer privacy throughout the economy is necessary to ensure that businesses have regulatory certainty in meeting their compliance obligations and that consumers are able to exercise their rights. CCIA appreciates, however, that in the absence of baseline federal privacy protections, state lawmakers are attempting to fill in the gaps. To inform these efforts, CCIA produced a set of principles to promote fair and accountable data practices.²

CCIA strongly supports the protection of consumer data and understands that Vermont residents are rightfully concerned about the proper safeguarding of their data. We also appreciate all the work that the Committee has done thus far in this area, including the efforts to re-write the legislation with the goal of bringing the bill in line with other comprehensive privacy laws in other jurisdictions, such as Connecticut. Promoting interoperability is crucial while a state-level piecemeal approach is in place.

However, H. 121 still includes several provisions that raise concerns. We appreciate the committee's consideration of our comments regarding several areas for potential improvement.

1. Sufficient time is needed to allow covered entities to understand and comply with newly established requirements.

H.121 fails to provide covered entities with a sufficient onramp to achieve compliance. A successful privacy framework should ensure that businesses have an appropriate and reasonable opportunity to clarify the

¹ For over 50 years, CCIA has promoted open markets, open systems, and open networks. CCIA members employ more than 1.6 million workers, invest more than \$100 billion in research and development, and contribute trillions of dollars in productivity to the global economy. A list of CCIA members is available at <https://www.ccianet.org/members>.

² Computer & Communications Industry Association, *Considerations for State Consumer Privacy Legislation: Principles to Promote Fair and Accountable Data Practices* (January, 2022), <https://www.ccianet.org/wp-content/uploads/2022/02/CCIA-State-Privacy-Principles.pdf>



measures that need to be taken to fully comply with new requirements. Recently enacted privacy laws in California, Colorado and Virginia included two-year delays in enforcement of those laws. CCIA recommends that any privacy legislation advanced in Vermont include a comparable lead time to allow covered entities to come into compliance and would therefore recommend amending the current effective date timeline of July 1, 2024 to at least July 1, 2025.

2. Investing enforcement authority solely with the state attorney general would be beneficial to consumers and businesses alike.

§ 2424 of H. 121 permits consumers to bring legal action against businesses that have been accused of violating new regulations. By creating a new private right of action, the measure would open the doors of Vermont’s courthouses to plaintiffs advancing frivolous claims with little evidence of actual injury. Lawsuits also prove extremely costly and time-intensive – it is foreseeable that these costs would be passed on to individual consumers in Vermont, disproportionately impacting smaller businesses and startups across the state. Further, every state that has established a comprehensive consumer data privacy law – now over 13 states – has opted to invest enforcement authority with their respective state attorney general. This allows for the leveraging of technical expertise concerning enforcement authority, placing public interest at the forefront.

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We appreciate the Committee’s consideration of these comments and stand ready to provide additional information as the Legislature considers proposals related to technology policy.

Sincerely,

Alex Spyropoulos
Regional Policy Manager, Northeast
Computer & Communications Industry Association