



Memorandum

To: Representative William Botzow, Chair, House Committee on Commerce and Economic Development

**Cc: Liz Raddock, Committee Assistant
David Hall, Legislative Counsel, Office of Legislative Counsel**

From: Matt Mincieli, Northeast Region Executive Director, TechNet

Date: 1/18/2018

Re: TechNet's suggested amendment to Vermont Data Broker committee bill, draft 4.1

TechNet (www.technet.org) is the national, bipartisan network of over 70 technology companies that promotes the growth of the innovation economy by advocating a targeted policy agenda at the federal and 50-state level. TechNet's diverse membership includes dynamic startups to the most iconic companies on the planet and represents more than two million employees in the fields of information technology, e-commerce, the sharing and gig economies, advanced energy, venture capital, and finance. TechNet is committed to advancing the public policies and private sector initiatives that make the U.S. the most innovative country in the world.

TechNet's diverse membership includes dynamic startups and the most iconic companies on the planet and represents three million employees and countless customers in the fields of information technology, e-commerce, the sharing and gig economies, advanced energy, cybersecurity, venture capital, and finance. TechNet has offices in Washington, D.C., Silicon Valley, San Francisco, Sacramento, Austin, Boston, Olympia, Albany, and Tallahassee.

On behalf of our membership, TechNet respectfully submits the following suggested edits to version 4.1 of the committee's data broker bill:

- **Revise definition of "Data Broker" to read as following:** *"a business that: (A) assembles, collects, stores, or maintains personal information concerning a consumer who is not a customer, user, or employee of the business, or who is not a donor to the business if the business is a nonprofit corporation; and (B) for the primary purpose of selling the personal information to one or more third parties. (C) A data broker does not include a business that, in its capacity as a data processor or service provider for an unaffiliated third party, assembles, collects, stores, or maintains personal information about a consumer who is not a customer, user, or employee of the business."*

- **Add the following definition of “sell”:** *“sell, rent, release, disclose, disseminate, transfer, or otherwise communicating orally, in writing, or by electronic or other means, a consumer's personally identifiable information by the business to a third party for valuable consideration.”*
- **“Unlawful Discrimination”:** In the new Section 2433(a)(3), we suggest the following one-word addition to clarify that it’s a legitimate use of personally identifiable information for “discrimination” (which could include provided personalized services or ad targeting) if it is lawful: *...”engaging in **unlawful** discrimination, including employment discrimination and housing discrimination.”*
- Substituting **“Personally Identifiable Information”** for **“Personal Information”** throughout the bill.
- **“Access” vs. “Acquisition”:** The technology industry generally prefers the higher breach standard of “acquisition” wherever we can obtain it.