

February 8, 2023

The Honorable Michael Marcottee Chair Committee on Commerce and Economic Development Vermont House of Representatives Montpelier, VT 5301

RE: SIA opposition to H. 121 Relating to Consumer Privacy

Dear Chair Marcottee, Vice-Chair Jerome, and Members of the House Committee on Commerce and Economic Development.

On behalf of the Security Industry Association (SIA) and our members, I am writing to express our opposition to H. 121 under consideration by the committee.

SIA is a nonprofit trade association that represents more than 1300 companies providing a broad range of safety and security-focused products and services in the U.S and throughout Vermont. Among other sectors, our members include the leading providers of biometric technologies available in the U.S.

Privacy is important to the delivery and operation of many safety and security-enhancing applications of technologies provided by our industry, and our members are committed to protecting personal data, including biometric data.

However, we are concerned that, at a time when many states have now enacted or are considering broader data privacy measures that include protections for biometric data, and the prospect of a federal law setting nationwide data privacy rules draws nearer, H. 121 is the wrong approach, as it would import an outdated and problematic model from Illinois that is incompatible with the common frameworks that are emerging.

No other state has adopted legislation similar to the Illinois Biometric Information Protection Act (BIPA) of 2008, which has resulted in more harm to consumers and local businesses than any protections. There, businesses have been extorted through abusive "no harm" class actions, and beneficial technologies have been shelved. In fact, many of our member companies that provide products utilizing biometric technologies have chosen not to make these products or specific functions available in Illinois.

Safeguarding biometric information is important, but it should be done in a way that both protects the citizens of Vermont and allows development and use of advanced technologies that benefit them. While we are supportive of sole authority for enforcement of these types of measures being provided to the

State Attorney General, there are also very real consequences to consumers – including their privacy – for imposing unnecessary limits through overregulation.

For example, <u>biometric technologies play a key role in protecting privacy during transactions that</u> <u>require identity verification</u>, by preventing exposure of personal information (date of birth, Social Security Number, address, etc.) that is far more vulnerable to compromise and abuse.

Biometric technologies create a numerical "template" based on an individual's biological characteristics to compare with a template or templates already enrolled in a database or on a device. This numerical string of data is readable only within that specific software. Outside and apart from the software and database used to create it, this template by itself does not contain any personally identifiable information. Importantly, it cannot be used to re-create the image (of a fingerprint, face, etc.) that it was derived from. Each provider uses a different process to create and compare templates unique to that proprietary software. A template created in one system cannot be used in another.

In this way, the use of mathematical vectors acts as secure cryptography for biometric data, preventing identity hacking even if that data is stolen, and naturally serves to limit unauthorized use by third parties. Most biometric authentication systems store only templates, information that by itself does not put identities at risk if compromised. The collection, storage and processing of this data can easily be optimized to ensure privacy and security using encryption and other cybersecurity and privacy best practices applicable to other forms of personally identifiable information.

We continue to believe that protecting biometric data is best addressed within a broader data privacy framework that protects all types of personal information. Significant changes to H. 121 would be needed to prevent negative impact on Vermont businesses and consumers. We urge you not to approve the bill in its current form.

Again, we support the overall goal of safeguarding biometric information, and we stand ready to provide any additional information or expertise needed as you consider these issues.

Respectfully,

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