



NFIB Vermont
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April 28, 2026

Representative Michael Marcotte, Chair
House Committee on Commerce & Economic Development
Vermont State House, Room 35

S.71 (Consumer Data Privacy)

Dear Chair Marcotte and Committee Members,

The National Federation of Independent Business (NFIB) represents more than 800 small businesses in Vermont. Our members operate in every industry - from family farms to main street shops - and are typically very small, with 90% employing fewer than 20 people.

We write to share our members' support for two provisions in the Senate version of S.71. The small business customer relationship is built on trust and protecting customer data is a key component of maintaining that trust.

Misuse or mishandling of customer data can not only result in a loss of trust, but severe legal and financial consequences.

However, compliance with the framework proposed in S.71 carries a significant cost for businesses of all sizes. Compliance cost estimates for similar state laws range from \$5,000 to \$15,000 for the smallest businesses to more than \$100,000 for larger businesses.¹

Researchers at the University of Colorado Leeds School of Business found small businesses "bear the brunt" of sweeping and complex data management laws:

"After Europe's GDPR went into effect, smaller firms saw data storage costs rise disproportionately. One analysis found compliance raised costs by more than 20%. Moreover, small firms bear greatly increased costs of marketing and customer acquisition compared to large firms, Lynch said. ... Europe is already reconsidering the impact of GDPR as investment and competitiveness lag..."²

Large corporations, not small businesses, are the source of the public's desire for greater transparency, control, and security of their private data online. However, even a very small business can accrue a high volume of information that would qualify as personal data through customer email lists used to offer birthday discounts, sale alerts, and new product updates that have nothing to do with industrial processing and selling of data.

This is why **NFIB Vermont supports the applicability threshold of 100,000 consumers** in the Senate version of S.71. Rather than reducing the threshold and exposing more small

¹ [How Much Does CCPA Compliance Cost in 2026? | PoliWriter](#)

² ["How privacy rules meant to protect consumers may hurt small businesses" | University of Colorado Boulder](#)

businesses to added cost and complexity, we recommend a small business exemption set at the U.S. Small Business Administration's definition of small business. This is the approach taken by Minnesota, Nebraska, and Texas.³ The SBA definitions are tailored by industry and more accurately target the exemption to small businesses.⁴

Further, **we strongly support the explicit prohibition of a private right of action** for alleged violations. Enforcement through a single entity rather than myriad individual lawsuits will result in a more consistent and understandable law for small businesses.

Thank you for considering our members' perspectives.

Sincerely,



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³ See, e.g., [Minn. Stat. 325M.12, Subd. 2\(a\)\(19\)](#). The Minnesota law establishes separate consumer data management obligations for small businesses in [Minn. Stat. 325M.17](#).

⁴ [Table of size standards | U.S. Small Business Administration](#)