Testimony of Jim Doyle President of Business Forward, Inc. Maine LD 1284

May 5, 2025

Business Forward, Inc. is a national trade group that has worked with more than 300,000 entrepreneurs, investors, small business owners, and executives across the U.S. – including 1,200 here in Maine. They've participated in briefings, webinars, and media trainings on a range of issues. We help them brief local, state, and federal officials; work with local media; and submit testimony. More than 1,250 mayors, governors, Members of Congress, and senior Administration officials have also participated in our programming (including Presidents Clinton, Obama, and Biden).

KEY POINTS

We support LD 1284 because it represents a necessary first step toward comprehensive, technology-neutral privacy reforms that respond to the increasingly opaque data collection and sharing practices many companies are using. A single, comprehensive privacy bill is easier for regulators, businesses, consumers, legislators and courts to interpret and abide.

Today, Maine covers one set of companies (ISPs) and ignores others, which hurts consumers in three ways. First, it leaves out companies most likely to market their data.

Second, it could lead many consumers to believe (falsely) they are protected wherever they go or do online. Without a comprehensive, technology-neutral approach, it's impractical for consumers to track and understand exactly which entities they interact with online have access to what data.

Third, it creates uncertainty and regulatory burden for small businesses in Maine or small businesses doing business here. To make it easier for these businesses to honor their clients' and customers' privacy, Maine should adopt comprehensive protection that is consistent with as many other States as possible.

OUR MISSION AND OUR WORK ON PRIVACY

Business Forward helps local business leaders make the case for climate action, affordable healthcare, immigration and tax reform, infrastructure investment, diversity and inclusion, fair trade, and voting rights, among other issues.

Technology policy and infrastructure are among our network's biggest concerns. Over the years, we've organized hundreds of briefings on broadband access, data privacy, cyber security, net neutrality, and IT infrastructure investment.

On privacy, we worked closely with the Obama and Biden Administration officials on bipartisan proposals, including a <u>"Consumer Privacy Bill of Rights"</u> developed by Cameron Kerry, former general counsel of the U.S. Commerce Department.

AS DATA VOLUME GROWS, DATA RISK RISES – AND THE COST OF INCOMPLETE SAFETY MEASURES GROWS.

The range of information that companies collect that can uniquely identify you is growing quickly. Individual data points that may not be sensitive on their own can be aggregated to form detailed, highly personal profiles. This makes defining "personal information" or "sensitive information" more difficult. When a company that collects your data shares it with a third party, your risk grows further.

A Maine privacy law that covers only one type of business and ignores others compounds this growing risk.

CURRENT LAWS CANNOT KEEP UP. THESE FOUR PRINCIPLES WILL HELP.

In our briefings, our business leaders tend to endorse one or more of the following four principles:

- 1. Establish duties, apply them uniformly across players. Your rights shouldn't depend on where or how your info gets collected.
- 2. Reduce uncertainty and risk with a national standard. Business leaders in our network favor Federal pre-emption on privacy laws, just as they favor pre-emption over seat belts and pacemakers.
- 3. Context of how and why data was collected should matter. You have a right not to be surprised by how your data is used. Uber needs to your location data when you call for a ride, but you do not expect them to track you the rest of your day.
- 4. Shift from consumer notice to business behavior wherever possible. Maine should join other states in identifying and banning clearly unreasonable practices.

SMALL BUSINESSES FACE THE SAME INFORMATION TECHNOLOGY CHALLENGES CONSUMERS DO – AND MANY WORRY ABOUT RULES OVER CUSTOMER/CLIENT DATA, PARTICULARLY WHERE THOSE RULES VARY FROM STATE TO STATE.

Technology-neutral laws are necessary, in part, because 98 percent of America's companies have fewer than 20 employees, which means few of them have the IT expertise necessary to comply with a patchwork of rules that vary by technology and by State.

Small businesses worry about regulatory burden and want workable solutions they can manage and afford. (For example, dry cleaners cannot afford HIPAA-like oversight.) That's why the small businesses in our network prefer a national standard that applies to actors in all 50 states. Even small business owners do business across state lines.

Absent a national standard, Maine should adopt privacy laws that track with as many other States as possible. In other words, Maine should build on the progress made by the 19 other States that have passed comprehensive, and largely uniform, rules, including New Hampshire and Connecticut.

Thank you for your consideration

James Doyle Business Forward LD 1284

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