

MAINE

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COMMERCE

The voice of Maine business

**Testimony in Opposition to L.D. 1977
An Act to Create the Data Privacy and Protection Act
Judiciary Committee
October 17, 2023**

Senator Carney, Representative Moonen, and members of the Judiciary Committee:

My name is Ashley Luszczki and I am here on behalf of the Maine State Chamber of Commerce, which serves as the voice for more than 5,000 businesses located across the state. I am before you today to testify in opposition to L.D. 1977, An Act to Create the Data Privacy and Protection Act.

The topic of data privacy has received significant attention over the last several years, and is one that impacts nearly every sector of Maine's economy – communications, energy, finance, healthcare, etc. Our members, which cover a broad range of industries, recognize the importance of data privacy and work hard to ensure their customers' personal information is protected. There are two areas that I want to address today: the impact on the business community and the Private Right of Action.

First, I want to express that while policy conversations around data privacy often focus on big technology companies, the Maine Chamber represents businesses of all sizes. For years, small businesses relied on television, radio and mail to reach customers. They can now much more effectively and affordably target their advertising online allowing them to grow their businesses and attract customers in ways impossible only a few years ago. In a state like Maine where small businesses form the backbone of an economy heavily dependent on tourism, online advertising, search and effective online presence is critical to our business' health. Further, consumers appreciate the convenience and functionality of today's modern data supported economy.

The Chamber urges policy makers to be cautious toward proposals that make Maine an outlier that harms our small businesses and entrepreneurs, limiting their ability to compete. Data is necessary for the online ecosystem to function, and we want to ensure that businesses can continue to operate in a way that keeps them competitive and successful.

Without a comprehensive federal law in place, the Chamber believes that similar, more uniform laws across the country will be easier to comply with while providing consumers a better understanding of how their data is being collected and protected. The Chamber supports modeling the Connecticut Data Privacy Act that several other states, including Colorado and Virginia, have adopted similar legislation to.

Second, the Chamber is opposed to the Private Right of Action provision in L.D. 1977. We feel that it would create a more litigious environment and would drive up the cost of doing business. In the case of small businesses, it could be detrimental to their very existence. We also believe it's important to mention that of the states who have passed data privacy laws, none have an unlimited PRA as is proposed in this legislation.

As you move forward in deliberating L.D. 1977 and additional privacy bills, the Chamber once again encourages you to adopt a policy that is more in line with those of Connecticut and Virginia; we believe greater consistency across state lines will benefit consumers and businesses alike. I look forward to working with you on behalf of Maine's business community to create a meaningful and workable data privacy law.