

**Testimony of Patrick Woodcock  
Before the Committee On Judiciary  
L.D. 1088, LD 1224, LD 1284, and LD 1822  
May 5, 2025**

Senator Carney, Representative Kuhn, and members of the Committee on Judiciary, my name is Patrick Woodcock. I am here on behalf of the Maine State Chamber of Commerce, representing a network of 5,000+ small to large businesses. Thank you for the opportunity to provide testimony on the four bills related to data privacy.

The utilization of digital advertising is not just an important component of marketing, but for many Maine businesses it represents the entirety of many businesses method of connecting with potential customers. The Maine State Chamber of Commerce will review any legislation governing restrictions on online data on whether the legislation will put our businesses at a competitive disadvantage in utilizing these tools. This is especially important at a time when there is significant uncertainty in our state's economic outlook and concerns about the future of Maine's largest industry, tourism. Quite simply, now is not the time for Maine to limit commercial digital tools to attract customers to spend their money in our state.

Online data and business advertising has become so closely intersected and ultimately core to economic activity that Congress should be establishing clear and consistent standards throughout the United States. In fact, last year the Maine State Chamber of Commerce, alarmed at some state proposals, wrote the attached letter to the Maine congressional delegation urging action at the federal level. We reiterated these concerns last week in meetings with the four delegation members. Businesses are marketing across state lines. Individuals are traveling across state lines. The idea of distinct rules in 50 different states should unite business and privacy groups alike in advocating for federal legislation.

Short of a federal law the states should create as much consistency and alignment in state legislation. The Chamber believes both LD 1088 and LD 1224 follow the model of protecting sensitive data, allowing opt-out standards that more than a dozen states have adopted. The Maine State Chamber of Commerce supports these bills and would urge the Committee to utilize these bills as the basis for future work sessions. We appreciate both Representatives Roberts and Henderson for their sponsorship.

We are concerned about LD 1822 and believe it would place Maine businesses at a competitive disadvantage. While attorney Stacey Stitham of Brann & Isaacson will subsequently outline the specific legal concerns about the legislation, I would reinforce that the structure does not follow the standard of over a dozen other states, limits digital tools such as geolocation methods of reaching customers, and introduces a data minimization standard that introduces ambiguity at the heart of individual interaction with the internet. We would recommend the Committee not go down this unique pathway in protecting digital privacy that is untested, but rather adopt standards that are now being applied in over a dozen states.

As we move into work sessions there are some additional points the Chamber would recommend the Committee consider:

- 1) **ISP Legislation.** We thank Senator Stewart for introducing LD 1284. We agree that if the Committee moves forward with comprehensive data privacy legislation that there should be one law and the ISP law would create inconsistencies in implementation and customer experience.
- 2) **Vehicle Telematics.** Vehicle telematics data privacy is a critical aspect of consumer data privacy. Consumer data privacy legislation should address the relationship between vehicle telematics and consumer data.
- 3) **Healthcare.** We should consider a broader level of exemption for healthcare entities where protecting healthcare data is core to their mission and subject to existing federal and state laws and standards.

Thank you for consideration of this testimony and I would welcome any questions from the Committee.

June 10, 2024

The Honorable Susan Collins  
413 Dirksen Senate Office Building  
Washington, D.C. 20510

The Honorable Angus King  
133 Hart Senate Office Building  
Washington, D.C. 20510

The Honorable Chellie Pingree  
2354 Rayburn House Office Building  
Washington, D.C. 20515

The Honorable Jared Golden  
1710 Longworth House Office Building  
Washington, D.C. 20515

Dear Senator Collins, Senator King, Representative Pingree, and Representative Golden:

Thank you for the opportunity to meet during the Maine State Chamber of Commerce's annual trip to Washington, D.C. I am writing as a follow-up to provide you with additional information on data privacy, which has had some legislative activity since we last met.

As we mentioned, the Maine Chamber strongly encourages support for federal legislation that would create a uniform standard to protect consumer privacy. As you know businesses of all sizes rely heavily on data to attract new customers and remain competitive, particularly in e-commerce and these techniques have become increasingly sophisticated. Meanwhile, consumers are wanting a greater role in determining how their data is processed and transferred and that sensitive data be protected. As a result, fifteen states have enacted comprehensive data privacy laws that attempt to both protect consumers and maintain business methods to attract customers online. While many states share commonalities in the individual state laws, the Maine State Chamber of Commerce is concerned that a patchwork of state laws will be challenging for businesses to navigate, leading to compliance complexities and increased costs.

Specifically, proposed legislation in Maine this past legislative session would have departed from other states and limited Maine businesses from utilizing digital platforms to target potential customers. L.D. 1977, *An Act to Create the Data Privacy and Protection Act*, would have undermined business's ability to compete through e-commerce, making Maine an outlier. On the retail side, businesses would be limited in how they online market to Maine consumers and therefore, would need to spend more dollars to market their products online to ensure it gets in front of the correct audience. Maine's hospitality and tourism industries would also have a more difficult time competing online with large, well-established restaurants and lodging facilities as they would not be able to promote their business through first party advertising, which has become an integral party of online marketing. The bill passed 75 – 70 in the Maine House and failed 18 – 15 in the Senate.

The Chamber believes now is the time to create consistency across state borders and reflect the current market for e-commerce. Federal legislation is imperative to avoid a patchwork of state

privacy laws that would create confusion for both consumers and businesses and fail to protect sensitive data. As a result, we welcome the introduction of the *American Privacy Rights Act* by Senator Cantwell and Representative McMorris Rodgers. The implementation of a comprehensive federal data privacy law will provide much-needed clarity and consistency for businesses and consumers alike. The legislation has advanced in the House of Representatives Energy and Commerce's Subcommittee on Innovation.

While the Chamber requests your support of this legislation, we encourage your careful consideration of specific provisions included in the APRA draft and believe there are a couple areas where it could be improved. Specifically, the Chamber believes a national data privacy law should fully preempt current and future state privacy laws. Failing to include clear preemption language may enable more confusion and compliance challenges as states seek to pass individual privacy laws with restrictions beyond a national standard. While the legislation includes preemption language, it could be strengthened to ensure state consistency. We also recommend that comprehensive data privacy legislation include clear enforcement overseen by the Federal Trade Commission and state attorney generals. The APRA draft also includes a Private Right of Action (PRA), which the Chamber believes could lead to frivolous and costly litigation, as has been displayed in Illinois where their Biometric Information Privacy Act includes a PRA.

Again, the Maine State Chamber of Commerce appreciates your consideration and urges Congress to pass a national data privacy law this session to ensure businesses can remain innovative and competitive, and consumers have understandable and uniform privacy protections across state lines.

Sincerely,

Patrick Woodcock  
President and CEO  
Maine State Chamber of Commerce