

HOUSE OF REPRESENTATIVES

2 State House Station Augusta, Maine 04333-0002 (207) 287-1440 TTY: (207) 287-4469

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LD1088 - An Act to Enact the Maine Consumer Data privacy Act

Testimony of Rep. Henderson - Rumford May 5th, 2025

Senator Carney, Representative Kuhn, and distinguished members of the Joint Standing Committee on Judiciary. I am Rachel Henderson, and I have the distinct honor of representing the people of District-78 in the Maine House, which is comprised of the beautiful towns of Bethel, Byron, Hanover, Milton TWP, Roxbury, and my home town of Rumford.

> I stand before you today to introduce my bill: LD1088 An Act to Enact the Maine Consumer Data Privacy Act

History:

For the last few years the Maine Legislature has spent considerable time hearing, working, and trying to craft a Comprehensive Data Privacy Law.

This bill, and other privacy legislation being considered by the Judiciary Committee this session, cover complex issues and need to be worked out thoroughly with the business community and privacy experts.

In the 131st the Joint Standing Committee on the Judiciary we did just that. We heard a series of bills related to privacy, while none of those bills were enacted into law, there are a few things that became evident:

1. No Privacy Law. There is no comprehensive State Law that directs businesses on how to handle our private information. Many states have already adopted comprehensive privacy legislation and many more are moving to enact similar legislation this session. It is time for Maine to do the same.

House District 78 Bethel, Byron, Hanover, Milton Township, Roxbury, and Rumford



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Maine does have the Internet Service Provider law (ISP). The ISP-only act applies only to a narrow subset of companies and information.

2. Consistency. The Privacy Law that is enacted MUST be the same standard for all businesses, not one set of restrictions for Internet Service Providers, then an entirely separate set of guidelines for every other business.

3 Uniformity. The law Maine enacts must be similar in nature to those of other states, particularly to our neighboring New England states. Maine businesses need to remain competitive, especially in cities near the New Hampshire border, and consistent regulations across the region will help ensure they can do so effectively.

- Facilitates Business Operations: When laws are similar across states, businesses can develop unified compliance strategies rather than tailoring their data practices to each state's unique requirements. This reduces complexity and costs associated with legal compliance, making it easier for companies to operate across state lines.
- Reduces Legal Uncertainty: Divergent laws can create confusion for businesses about what is required to stay compliant. Similar laws provide clarity, helping companies understand their obligations and reducing the risk of inadvertent violations.
- Enhances Consumer Protection: Consistent standards across *neighboring* states ensure that consumers receive similar protections regardless of where they are within that region. This promotes competitive fairness and builds consumer trust in data handling practices.
- Encourages Data Privacy Innovation: Uniform laws can foster a more predictable regulatory environment that encourages innovation in privacy and data security technologies, as companies know what standards they need to meet across multiple jurisdictions.
- **Prevents Regulatory Arbitrage**: Businesses might otherwise choose to operate in states with less stringent laws to avoid stricter regulations elsewhere. Similar House District 78 Bethel, Byron, Hanover, Milton Township, Roxbury, and Rumford



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laws help prevent this "race to the bottom," ensuring a baseline level of privacy protection.

• Supports Cross-Border Data Flows: Many digital services and data exchanges occur across state lines. Similar laws make it easier to manage data transfers and uphold privacy rights without navigating a patchwork of conflicting regulations.

Meaning businesses that operate in multiple states need to share information and data between their offices or systems in different places. When the rules about privacy and data sharing are similar everywhere, it makes it much easier for these companies to do their work without running into legal problems or having to follow a bunch of different, complicated rules. This helps them serve customers better and run their business more efficiently across the U.S..

What LD1088 Does:

The Maine Consumer Data Privacy Act is a new law that will begin on July 1, 2026, aimed at protecting the personal information of residents in Maine.

Rules are set for businesses that collect, use, share, or sell personal data linked to Maine residents, requiring them to be transparent about what data they collect and why.

Businesses must limit the amount of personal information they gather to only what is necessary for their stated purposes and must obtain clear permission before processing sensitive data like health, biometric, or location information, especially for children and teenagers.

Businesses will need to implement security measures to protect personal data and delete it when no longer needed or required by law. For activities that pose higher risks to consumers, companies will have to assess and document how they protect data, with these assessments potentially reviewed by the state's attorney general



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Consumers will have rights under this law to see what data companies hold about them, correct inaccuracies, delete their data, and choose not to have their data used for targeted advertising or sold to third parties.

Discrimination Is Prohibited in LD1088, based on personal data and retaliation against consumers who exercise their rights.

Exempt from some provisions are certain entities, like the government, financial institutions, and health care providers, for example.

Use of geofences around healthcare facilities to track health data, is banned in LD1088.

The Attorney General can prosecute violations of the law, and must give businesses notice and time to fix issues before taking enforcement action.

Repeals previous ISP Law, since they will now be covered under LD1088.

Overall, the law aims to give Maine residents more control over their personal information and ensure businesses handle data responsibly.

This bill is important to all our constituents, seeking to establish important information, and privacy rights that have been taken out of our hands through the companies who profit off our data. Currently, Maine citizens have no choice. This bill seeks to give Maine people control over their information and create a more transparent relationship between businesses and their customers. The bill is based on the Connecticut framework for comprehensive privacy legislation.

This bill is past due. We can find a way that protects privacy and allows businesses to interact with consumers online in a mutually beneficial way. Mainers

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are worried about how their personal data is being used and sold. We need to alleviate their concerns.

Thank you for your consideration.

Rep. Rachel Henderson