

TO: The Honorable Members of the PA House Commerce Committee

FROM: Neal Lesher, Director, Government Affairs

DATE: March 17, 2025

RE: PA Chamber Memo: H.B. 78 – Data Privacy

I write on behalf of the PA Chamber regarding HB 78, which would regulate the collection and use of consumers' personal data by providing consumers with certain rights and requiring business to protect and limit the collection of personal data.

The PA Chamber believes a national framework for data privacy regulation would be preferable to protect consumer data, promote transparency, and provide regulatory certainty in the marketplace. Congress, however, has not yet advanced consumer data privacy legislation and in the meantime twenty states have adopted a patchwork of data privacy laws. We have advocated that if lawmakers are to advance data privacy legislation at the state level, that they look to state's such as Virginia, Colorado, Connecticut, and Texas which crafted their laws with input from the business community.

In <u>testimony</u> submitted to this committee last session, we outlined a number of key principles for data privacy legislation. Through work with the prime sponsor last session, the current version of HB 78 largely reflects these principles.

We also want to thank the sponsor for placing exclusive enforcement authority with the Attorney General and further making it clear that nothing in the act shall be construed as providing a private right of action.

We understand that an amendment will be considered in committee to extend the implementation timeframe to a year. We support this amendment and ask members to vote in favor of it.

We continue to have concerns that the threshold for covered businesses is set too low and may impact many small businesses, which we don't believe is the intention of this legislation. Of the states that have adopted data privacy laws, California is the only state that uses a threshold as low as 50,000 consumers' data. Every other state has set that threshold at 100,000 consumers or more. We hope to be able to address this issue as the bill moves through the process.

Thank you for considering our views on this important matter. Please contact Neal Lesher at nlesher@pachamber.org or 717-507-9240 with questions or to discuss.