

TO:	The Honorable Members of the PA House Commerce Committee
FROM:	Neal Lesher, Director, Government Affairs
DATE:	May 6, 2025
RE:	PA Chamber memo: Oppose H.B. 997 and H.B. 1067

I write on behalf of the PA Chamber to urge you to oppose H.B. 997 and H.B. 1067, which are scheduled to be considered by the committee this week.

H.B. 997 – Data Breach Lawsuits. This legislation would amend the Breach of Personal Information Notification Act to require companies to take reasonable steps to secure personal data from hacking and creates new private rights of action against companies who are hacked.

The bill includes three problematic provisions that would significantly expand legal liability for companies doing business in Pennsylvania. First, the bill establishes a private right of action to sue companies for breached data. Currently, the Attorney General has exclusive jurisdiction under the act. Second, it contains statutory damages, meaning people could recover more than their actual damages. Lastly, it prohibits the use of arbitration agreements. Arbitration is an important tool in resolving disputes as it has been found to be fair to both parties, resolves disputes quicker, and is significantly less costly than a trial. For these reasons, we urge you to oppose H.B. 997.

H.B. 1067 – Gift Card Scam Posting Requirements. This legislation would amend the Unfair Trade Practices and Consumer Protection Law (UTPCPL) to require retailers that sell gift cards to post clear signage warning consumers about gift card scams and what to do if they suspect they might be a victim and to require training for employees.

While the PA Chamber would welcome relevant agencies to voluntarily develop and share educational materials and training opportunities to store staff related to gift card scams, we do not support a mandate that comes with punitive fines for failing to post signage, and which could also expand liability if a customer is victimized by a scammer. The UTPCPL allows for private rights of action and treble damages. For these reasons, we urge you to oppose H.B. 1067.

Thank you for considering our views on these bills. Please contact Neal Lesher at <u>nlesher@pachamber.org</u> or **717-507-9240** with questions or to discuss.

<u>Click here</u> to check the PA Chamber Legislative Scorecard.