



March 25, 2019

The Honorable Mae Flexer
The Honorable Daniel Fox
Government Administration and Elections Committee
Legislative Office Building, Room 2200
Hartford, CT 06106

RE: SB 1108 – An Act Concerning Consumer Privacy

Dear Chairpersons:

Internet Association (IA) is the unified voice of the internet economy, representing the interests of leading Internet companies and their global community of users. It is dedicated to advancing public policy solutions that foster innovation, promoting economic growth, and empowering people through the free and open Internet.

IA respectfully requests that **SB 1108** be held for further study so that its far-reaching impacts can be more carefully considered. In today's digital economy, every company collects and uses data regardless of the industry or the size of the company. Therefore, proposed laws seeking to regulate the collection and use of data will intuitively impact all sectors of the economy. Thus, the Legislature should take its time to carefully examine what these impacts are, how the costs compare to the potential benefits, and ultimately whether the law can deliver meaningful privacy gains for Connecticut consumers.

SB 1108 appears to borrow from California's recently enacted privacy law, the California Consumer Privacy Act (CCPA). However, it is important to put California's law in the appropriate context. CCPA was hurriedly passed by the California Legislature in order to avoid a flawed and ill-advised ballot initiative that was heading towards the November 2018 ballot. Less than a week before the deadline to pull the initiative from the ballot, AB 375 was developed -- like the initiative -- with no public input. The contents of that bill, now referred to as CCPA, were revealed just days before being rushed off both legislative floors, with no opportunity for amendments prior to passage. Despite this complete lack of process and transparency, enacting CCPA was ultimately preferable to an expensive ballot fight as it would bring the challenge of data regulation back to the appropriate venue of the State Legislature and allow policymakers to refine the law in 2019 and beyond.

Data policy is inherently complex and impacts every sector of the economy, including the internet industry. The lack of public process surrounding the adoption of California's far-reaching law remains the cause of so many of its challenges, as these complex issues did not have ample time to be fully considered. Significant efforts are ongoing to correct CCPA's errors and the unintended consequences that flow from them. While California continues working to fix CCPA before the law goes into effect in 2020, Connecticut should take its time to more



thoroughly examine these issues and avoid charting a similar path at least until California's issues are resolved.

As **SB 1108** is proposed, anyone could access detailed information on anyone they live with, whether a family member or a disgruntled roommate. Giving people other than you full rights to your personal data isn't an improvement to privacy. Requirements like these, which are intended to make personal data more accessible, would indirectly make the data more vulnerable. Since the law requires businesses to turn over any individual's personal information upon request, businesses will have to store that data in a way that is connected to each unique individual. Data that previously was stored anonymously or de-identified would be directly attached to a person under **SB 1108**, as the law does not effectively allow businesses to store it otherwise. This makes your data less secure, less private, and more exposed to hackers.

As if that is not enough cause for concern, CCPA/**SB 1108** threatens to disrupt online ad-supported business models that provide high-quality services for little cost. Ads are an important part of the internet ecosystem. They help fund the work of news organizations and other online content creators while allowing nonprofits to find donors, musicians to find audiences and animal shelters to find new homes for pets. Highly relevant ads can be shown to you without compromising your personal information. Under CCPA and the proposed bill, this important business model is in jeopardy.

IA remains focused on making the law in California workable for companies and meaningful for consumers. Maintaining people's privacy and security has always been and remains a top priority of internet platforms. Trust with IA member products and services is essential to a thriving internet, and the internet industry is committed to providing people with information and tools to make informed choices about how their personal information is used, seen, and shared online.

For these reasons and more, we urge you to **hold SB 1108** and further study the issue and its impacts on both Connecticut businesses and consumers.

Sincerely,

A handwritten signature in black ink, appearing to read 'JOHN OLSEN'.

John Olsen
Director, State Government Affairs Northeast Region