

March 3, 2026

Senator James Maroney, Co-Chair
General Law Committee
Legislative Office Building
Room 3500
Hartford, CT 06106

Representative Roland Lemar, Co-Chair
General Law Committee
Legislative Office Building
Room 3504
Hartford, CT 06106

Senator John Fonfara, Vice Chair
General Law Committee
Legislative Office Building
Room 3300
Hartford, CT 06106

Representative Gary Turco, Vice Chair
General Law Committee
Legislative Office Building
Room 4027
Hartford, CT 06106

Senator Paul Cicarella, Ranking Member
General Law Committee
Legislative Office Building
Room 3402
Hartford, CT 06106

Representative David Rutigliano, Ranking Member
General Law Committee
Legislative Office Building
Room 4200
Hartford, CT 06106

RE: Letter in Opposition to Connecticut SB 4

Dear Co-Chair Maroney, Co-Chair Lemar, Vice Chair Fonfara, Vice Chair Turco, Ranking Member Cicarella, and Ranking Member Rutigliano:

On behalf of the advertising industry, we write to oppose Connecticut SB 4.¹ We provide this letter to offer our non-exhaustive list of concerns about this bill. SB 4 would create new registration requirements for companies in ways that are duplicative of existing laws, are out-of-step with requirements in other states, and would create a significant fiscal burden for the state of Connecticut. In addition, SB 4 contains amendments to the Connecticut Data Privacy Act (“CTDPA”) that would make Connecticut’s privacy law significantly out-of-step with privacy laws in other states, thereby adding to the increasingly complex privacy landscape for both businesses and consumers across the country. Accordingly, we ask you to decline to advance the bill as drafted as part of the General Law Committee (“Committee”).

As the nation’s leading advertising and marketing trade associations, we collectively represent thousands of companies across the country. These companies range from small businesses to household brands, advertising agencies, and technology providers. Our combined membership includes more than 2,000 companies that power the commercial Internet, which accounted for nearly 20 percent of total U.S. gross domestic product (“GDP”) in 2024.² By one estimate, approximately 18.3% of Connecticut jobs in 2024 were related to the ad-subsidized

¹ Connecticut SB 4 (2026 Session), located [here](#) (hereinafter, “SB 4”).

² S&P Global, THE ECONOMIC IMPACT OF ADVERTISING ON THE US ECONOMY, 2024-2029 at 4 (Aug. 2025), located at https://theadcoalition.com/wp-content/uploads/2025/08/TAC_SP-Global-Final-Report_August-2025.pdf.

Internet, a share projected to increase to 20.2% by 2029.³ Our group has more than a decade's worth of hands-on experience it can bring to bear on matters related to consumer privacy and controls. We would welcome the opportunity to engage with the legislature further on the points we discuss in this letter.

I. Harmonization Across State Privacy Laws Fosters Consistency and Clarity for Consumers and Businesses

If enacted, SB 4 would make the state's approach to privacy an outlier in ways that would harm consumers and businesses of all sizes. Connecticut should instead focus its efforts on implementing the CTDPA and harmonizing the bill with the approach to privacy in other states. A patchwork of differing privacy standards across the states would create significant costs for businesses and consumers alike. Efforts to harmonize state privacy legislation with existing privacy laws are critical to minimizing costs of compliance and fostering similar privacy rights for consumers no matter where they live. Below we provide a non-exhaustive list of ways SB 4 would deviate from the dominant approach to privacy across states:

- SB 4 defines “data broker” as any business (or portion of a business) that sells or licenses brokered personal data. This definition is overly broad and would effectively treat nearly all businesses as data brokers, rendering the registry meaningless and sweeping in a wide range of ordinary data processing activities that traditionally have not been subject to opt-out requirements (like first-party marketing).
- SB 4 would exempt any information made available for “sale” from the definition of “publicly available information,” deviating substantially from the definition of publicly available information in other states and restricting otherwise lawful transfers of public data.
- SB 4 would define “facial recognition technology” and generally restrict its use (even for security/fraud/illegal-activity purposes) to situations where it is only used to compare a live image/video to the business's own internal database, the business posts clear signage at the entrance, and the business provides a privacy policy that lets consumers find out whether they are in the database and request removal (with required timelines/notice).
- SB 4 would require a price set using “personalized algorithmic pricing” that is later advertised to include a specific disclosure: “THIS PRICE WAS SET BY AN ALGORITHM USING YOUR PERSONAL DATA”. The disclosure would be required in the same medium and audio/visual as the advertisement.
- SB 4 would establish new rulemaking by the Connecticut Department of Consumer Protection, which is unnecessary and risks further fragmentation of privacy requirements across states. Allowing broad rulemaking could lead to new definitions, registry requirements, or compliance mandates not vetted by the Connecticut state

³ *Id.* at 15-16.

legislature, creating uncertainty for businesses and consumers, and potentially creating additional conflicts with other state privacy frameworks.

Compliance costs associated with divergent privacy laws are significant. To make the point: a regulatory impact assessment of the California Consumer Privacy Act of 2018 concluded that the initial compliance costs to California firms would be \$55 billion.⁴ Another recent study found that a consumer data privacy proposal in a different state considering privacy legislation would have generated a direct initial compliance cost of \$6.2 billion to \$21 billion and ongoing annual compliance costs of \$4.6 billion to \$12.7 billion for the state.⁵ Other studies confirm the staggering costs associated with varying state privacy standards. One report found that state privacy laws could impose out-of-state costs of between \$98 billion and \$112 billion annually, with costs exceeding \$1 trillion dollars over a 10-year period, and with small businesses shouldering a significant portion of the compliance cost burden.⁶ Harmonization with existing privacy laws is essential to create an environment where consumers in Connecticut have privacy protections that are consistent with those in other states, while minimizing unnecessary compliance costs for businesses. Connecticut should not add to this compliance bill for businesses and should instead opt for an approach to data privacy that is in harmony with already existing state privacy laws.

II. SB 4 would create a data broker registry that is largely duplicative of existing disclosures and, if enacted, should be harmonized with other privacy laws.

The registry requirements in SB 4 mandate that data brokers annually register with the Department of Consumer Protection (“Department”) and disclose information about their business practices, including the types of personal data they collect, compliance measures, and regulatory status under other laws (like the federal Fair Credit Reporting Act).⁷ This information is already routinely disclosed by data brokers through their privacy policies and compliance mechanisms under other existing state privacy laws, which similarly require public transparency about data collection, sale, and consumer rights.⁸ In addition, SB 4 permits the Department to require unspecified additional information, which may create uncertainty for registrants and could allow for future expansion of disclosure obligations beyond those contemplated by the Connecticut state legislature.⁹ If the legislature chooses to establish a data broker registry, we

⁴ See State of California Department of Justice Office of the Attorney General, *Standardized Regulatory Impact Assessment: California Consumer Privacy Act of 2018 Regulations*, 11 (Aug. 2019), located at https://dof.ca.gov/wp-content/uploads/sites/352/Forecasting/Economics/Documents/CCPA_Regulations-SRIA-DOJ.pdf.

⁵ See Florida Tax Watch, *Who Knows What? An Independent Analysis of the Potential Effects of Consumer Data Privacy Legislation in Florida*, 2 (Oct. 2021), located at <https://floridatxwatch.org/DesktopModules/EasyDNNNews/DocumentDownload.ashx?portalid=210&moduleid=34407&articleid=19090&documentid=986>.

⁶ Daniel Castro, Luke Dascoli, and Gillian Diebold, *The Looming Cost of a Patchwork of State Privacy Laws* (Jan. 24, 2022), located at <https://itif.org/publications/2022/01/24/looming-cost-patchwork-state-privacy-laws> (finding that small businesses would bear approximately \$20-23 billion of the out-of-state cost burden associated with state privacy law compliance annually).

⁷ SB 4 § 2(c).

⁸ Conn. Gen. Stat. § 42-520.

⁹ SB 4 § 2(c)(9).

encourage the Committee to harmonize SB 4’s requirements with existing state approaches to ensure consistency for businesses operating nationally and to reduce the need for duplicative disclosures, while still achieving transparency goals for consumers.

III. SB 4 would create enormous and costly new responsibilities for Connecticut.

SB 4 would incorporate a California “Delete Act”-style “accessible deletion mechanism” into Connecticut’s approach to regulating data brokers, which would be premature and risk imposing substantial costs and operational burdens on the state without the benefit of real-world experience.¹⁰ California estimates that its similar mechanism will cost the state over \$7.5 million for initial roll out and related support, with additional costs for annual maintenance and upkeep.¹¹ Requiring Connecticut to stand up and administer a similar deletion mechanism would saddle the Department with a complex, resource-intensive mandate before any state has demonstrated that such a system can operate effectively, securely, or cost-efficiently. Until California’s approach is fully implemented and evaluated, Connecticut should avoid embedding an unproven model into its data broker framework, especially one that could impose significant fiscal burdens and introduce new data security risks for the state.

IV. Connecticut’s existing privacy law already safeguards location data.

SB 4 would impose a sweeping ban on the sale of precise geolocation data.¹² This prohibition would upend the balanced approach taken by the legislature in CTDPA, which allows for the sales of precise geolocation data where consumers have consented.¹³ More concerning, this sweeping prohibition risks serious unintended consequences for public safety and consumer protection. Emergency alerts, including AMBER alerts, severe weather warnings, and other time-sensitive public safety communications, rely on the timely sharing of location data to reach individuals in affected areas.¹⁴ Restricting access to this data could delay alerts or prevent them from reaching those who need them most. In addition, financial institutions, retailers, and anti-fraud service providers depend on location data to detect suspicious transactions, prevent identity theft, and protect consumers from financial harm. While the CTDPA appropriately exempts fraud prevention activities, SB 4’s broad ban would diminish incentives to collect and maintain location data in the first place, reducing its availability for critical consumer protection functions.¹⁵ In short, SB 4 would undermine essential services that safeguard Connecticut residents, making it harder to prevent fraud, respond to emergencies, and protect consumers, without providing meaningful additional privacy benefits beyond those already secured under existing law.

¹⁰ SB 4 § 5.

¹¹ See State of California, *Budget Change Proposal – Cover Sheet*, California Privacy Protection Agency Data Broker Deletion Request and Opt-Out Platform, located [here](#).

¹² SB 4 § 15, amending Conn. Gen. Stat. § 42-520(a)(3).

¹³ Conn. Gen. Stat. § 42-520(a)(4).

¹⁴ See, e.g., *Federation for Internet Alerts*, located [here](#) (describing a partnership between FIA and the National Center for Missing and Exploited Children (NCMEC) that leverages the same technology used to deliver advertising and marketing messages to issue and maximize the effectiveness of alerts for emergencies such as child abductions, tornado warnings, and other hazards).

¹⁵ Conn. Gen. Stat. § 42-529d(c)(6).



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We respectfully request the Committee to decline to advance SB 4 as proposed.

Thank you in advance for your consideration of this letter.

Sincerely,

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