U.S. Chamber of Commerce



1615 H Street, NW Washington, DC 20062-2000 uschamber.com

May 31, 2022

The Honorable Maria Cantwell Chair Committee on Commerce, Science, and Transportation United States Senate Washington, DC 20510

The Honorable Frank Pallone Chairman Committee on Energy and Commerce U.S. House of Representatives Washington, DC 20515 The Honorable Roger Wicker Ranking Member Committee on Commerce, Science and Transportation United States Senate Washington, DC 20510

The Honorable Cathy McMorris Rodgers Ranking Member Committee on Energy and Commerce U.S. House of Representatives Washington, DC 20515

Dear Chairs Cantwell and Pallone and Ranking Members Wicker and Rodgers:

The U.S. Chamber of Commerce strongly urges Congress to pass durable, bipartisan national privacy legislation that protects all Americans equally. We are concerned, however, with attempts to rush through legislation that would encourage an unmanageable patchwork of laws and abusive class action lawsuits through private rights of action.

The goal should be for Congress to provide consumers meaningful, consistent, and robust data protection. This is not possible without a thoughtful national law. A <u>recent study</u> revealed that a 50-state privacy patchwork could cost the U.S. economy \$1 trillion, \$200 billion of which would hit small businesses. Such a privacy patchwork creates consumer confusion and places small businesses at a disadvantage by forcing compliance with a complex set of data regulations. Strong national privacy legislation can help avoid this problem.

More than 130 countries have enacted general privacy protections, and five state legislatures have passed comprehensive data protection bills. Although the Chamber does not support all aspects of these bills and laws, they all provide consumer protections Congress can draw upon to establish a national privacy framework.

It is important to note that a private right of action for privacy is not included in any of these state laws, nor is it part of the European Union's General Data Protection Regulation. A national data protection law including a private right of action would encourage a cottage industry of attorneys filing abusive lawsuits to obtain mandated fees, create further confusion as privacy rights are interpreted on a district basis, and hinder data-driven innovation. A national law should be enforced by the Federal Trade Commission with adequate funding and due process protections as well as state attorneys general.

Congress can and should engage in a deliberative, bipartisan process to find consensus on the types of data practices to regulate, thereby giving consumers long lasting protections. The Chamber, however, at this time will strongly oppose legislation that fails to provide meaningful preemption or any proposal that creates a blanket private right of action.

We believe Congress should not miss the opportunity to enact national privacy legislation. We encourage your Committees to provide the bipartisan leadership necessary to achieve this goal. The Chamber and other key stakeholders stand ready to assist in this important effort.

Sincerely,

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Neil L. Bradley Executive Vice President, Chief Policy Officer, and Head of Strategic Advocacy U.S. Chamber of Commerce

cc: Members of the Senate Committee on Commerce, Science, and Transportation Members of the House Committee on Energy and Commerce