

January 28, 2025

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

The Honorable Brett Guthrie
Chair
Committee on Energy and
Commerce
U.S. House of Representatives
Washington, DC 20515

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

The Honorable Frank Pallone
Ranking Member
Committee on Energy and
Commerce
U.S. House of Representatives
Washington, DC 20515

Dear Chairs Cruz and Guthrie and Ranking Members Cantwell and Pallone:

Consumers have more options than ever when it comes to goods, services, information, and entertainment. Data-driven innovation, digital advertising, and investment enable consumers to take advantage of faster, higher quality, and customized services at lower costs. This Fourth Industrial Revolution, which relies on data and technology, requires policies that respect individual privacy, promote choice and competition while spurring innovation. Legal certainty is crucial for achieving those goals, and it is incumbent that consumers have assurance that their data is safeguarded and used responsibly.

As representatives of businesses who serve those consumers, we request that Congress undertake the legislative action needed for a comprehensive national privacy law. Such action will increase access to employment, education, health care, communications, and the ability to meet family needs. Furthermore, a national privacy standard will help start-ups and main street businesses compete on a broader scale, helping to lower prices and widen consumer access to goods and services. These policies are also necessary due to technological developments, including the increased application of Artificial Intelligence throughout the economy.

Accordingly, we offer the following principles to achieve this goal:

I. A National Privacy Framework

Consumers and businesses benefit when there is certainty and consistency regarding laws and enforcement of privacy protections. They lose when they must navigate a confusing

and inconsistent patchwork of state laws. While the United States already has a history of robust privacy protection, Congress should adopt a federal privacy framework that fully preempts state laws related to data privacy and security to establish a uniform privacy standard.

II. Individual Rights

People should have the right to determine how personal information is used, collected, and shared. For this reason, properly scoped to allow for beneficial data uses, we believe individuals should be given the right to:

- Know whether a company is processing their personal information
- Correct and delete their personal information
- Obtain a portable copy of their personal information
- Opt out of personalized commercial advertising that is based upon activities across unaffiliated websites, sale of their personal information, and potentially harmful automated profiling that facilitates decisions that produce adverse legal or similarly significant effects on a consumer

III. Transparency

Federal privacy legislation should require companies to disclose their data practices in a public privacy policy including:

- The categories of data processed by companies
- The general purposes for processing data
- How consumers can exercise their rights
- Categories of third parties with whom companies share data

IV. Responsible Data Use

Companies should limit the collection of personal data to what is reasonably necessary in relation to the purposes for which that personal data is processed, as disclosed to the consumer. In order to promote trust, federal privacy legislation should:

- Require companies obtain consent before processing sensitive consumer data, properly scoped to allow for beneficial data uses.
- Prohibit unlawful discrimination using data, including retaliating against consumers for exercising their privacy rights
- Provide clear and defined roles for parties that collect and process data

V. Security

Organizations processing consumer data should establish, implement, and maintain reasonable administrative, technical, and physical security practices that are appropriate to the volume and nature of the data being used.

VI. Preserving Beneficial Data Uses

Federal privacy legislation should explicitly preserve the processing of personal data for beneficial purposes such as offering goods and services; using payment data to complete transactions; maintaining business operations; offering bona fide customer loyalty programs; First Amendment protected activities like journalism; effectuating product recalls; publicly available records, employment and worker information; complying with laws; supporting law enforcement; fulfilling warranties; promoting security; preventing, detecting, protecting against, and responding to security incidents, identity theft, fraud, harassment, malicious or deceptive activities, or illegal activity; commercial and scientific research; improving products and services; allowing product recalls; dealing with technical errors; and reasonable internal operations.

VII. Small Business Protections

Small businesses should benefit from federal preemption while also not being required to have the same compliance burden as larger companies. To provide adequate small business relief, privacy laws should only apply to companies that process the personal data of over 200,000 people or those who process the personal data of over 50,000 and derive at over 50 percent of revenue from personal data sales. Legislation should also substantively promote the use—with appropriate privacy protections—of digital tools like personalized advertising and analytics that give small businesses a competitive edge.

VIII. Reasonable Enforcement and Collaborative Compliance

Federal privacy legislation should encourage cooperation between the business community and government, not promote adversarial action that results in frivolous litigation. The Federal Trade Commission and State Attorneys General should have exclusive enforcement authority. Businesses should be given a reasonable opportunity to cure violations of the law that do not result in harm before enforcement actions can be taken. Businesses should also have reasonably equivalent obligations to protect consumer privacy under federal law and not be subjected to duplicative requirements.

We look forward to working with the 119th Congress to ensure that consumers and businesses have certainty that their individual privacy and data are protected and that consumers can benefit from continued innovation.

Sincerely,

**21st Century Privacy Coalition
Alliance for Automotive Innovation
American Advertising Federation**

American Beverage Licensees
American Financial Services Association
American Hotel and Lodging Association
American Land Title Association
Association of National Advertisers
Business Software Alliance
Chamber of Progress
Computer & Communications Industry Association
Consumer Data Industry Association
CTIA
Enterprise Communications Advocacy Coalition
FMI—The Food Industry Association
Information Technology Industry Council
Insights Association
Interactive Advertising Bureau
International Franchise Association
Internet Infrastructure Coalition
National Association of Convenience Stores
National Association of Manufacturers
National Association of REALTORS
National Business Coalition on E-Commerce & Privacy
National Electrical Manufacturers Association
National Grocers Association
National Restaurant Association
National Retail Federation
NCTA - the Internet & Television Association
NetChoice
Privacy for America
Real Estate Services Providers Council
Retail Industry Leaders Association
Security Industry Association
Small Business & Entrepreneurship Council
Software Information Industry Association
U.S. Chamber of Commerce
U.S. Telecom

CC: Members of the House Energy & Commerce Committee and Senate Committee on Commerce, Science & Transportation.