



TECHNET
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INNOVATION ECONOMY

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February 28, 2023

The Honorable Cathy McMorris Rodgers
Chair
House Committee on Energy and Commerce
2188 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Frank Pallone
Ranking Member
House Committee on Energy and Commerce
2322 Rayburn House Office Building
Washington, D.C. 20515

Dear Chair McMorris Rodgers and Ranking Member Pallone:

In advance of this week's Subcommittee on Innovation, Data, and Commerce hearing titled "Promoting U.S. Innovation and Individual Liberty through a National Standard for Data Privacy," I am writing to highlight TechNet's support for enactment of comprehensive federal privacy legislation and share TechNet's privacy policy principles as you work to advance this legislation in the 118th Congress.

TechNet is the national, bipartisan network of technology CEOs and senior executives that promotes the growth of the innovation economy by advocating a targeted policy agenda at the federal and 50-state level. TechNet's diverse membership includes dynamic American businesses ranging from startups to the most iconic companies on the planet and represents more than five million employees and countless customers in the fields of information technology, e-commerce, the sharing and gig economies, advanced energy, cybersecurity, venture capital, and finance.

The need to pass a federal privacy law has never been greater. The global nature of data impacts every industry across our economy and demands a federal approach. Instead, we're seeing a growing patchwork of state privacy laws that are confusing consumers and hurting businesses, especially small businesses. Since 2018, 154 comprehensive privacy bills have been [considered](#) across 43 states, including 28 bills filed in 16 states just this year. By the end of the year, consumers and businesses in California, Colorado, Connecticut, Utah, and Virginia will all be regulated by different privacy laws. As more states pass their own

privacy laws, failure by Congress to take action will cost our economy more than [\\$1 trillion over 10 years](#), with more than \$200 billion being paid by small businesses.

This week's Subcommittee hearing is an important step to building continued momentum for the enactment of comprehensive federal privacy legislation in the 118th Congress and examining the best ways to protect consumers and promote America's global leadership in innovation. TechNet has long believed that for the data-driven economy to remain strong, we must always put the consumer first. In addition, we believe federal privacy legislation must provide harmonized, consistent, tech- and sector-neutral standards throughout the United States to provide regulatory certainty for all businesses, including new entrants, small businesses, as well as underserved and under-resourced innovators. We encourage the Committee to examine the [cost and operational impact](#) of the patchwork of state privacy laws on small- and medium-sized businesses and evaluate the rapid emergence of nuisance lawsuits impacting these same job creators in the absence of a federal data privacy law.

Your efforts to craft comprehensive federal privacy legislation during the 117th Congress demonstrated that there is bipartisan support in Congress to protect the privacy of all Americans and provide regulatory certainty for businesses. Polls overwhelmingly show that Americans across the ideological spectrum want Congress to come together to act on privacy legislation, with four in five voters in support of Congress prioritizing the passage of privacy legislation.

We stand ready to assist you in protecting American consumers, helping small businesses, and propelling our economy forward. We thank you for your commitment to advancing a federal data privacy law and look forward to working with you on this important issue. Please don't hesitate to reach out if we can be a resource on this issue or if you have any questions. I can be reached at cholshouser@technet.org or (210) 286-6276.

Sincerely,



Carl Holshouser
TechNet Senior Vice President