COUNCIL for CITIZENS AGAINST GOVERNMENT WASTE

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February 1, 2022

Hawaii House Higher Education and Technology Committee
Hawaii State Capitol
415 S Beretania Street
Honolulu, HI 96813

Dear Representative,

On behalf of the 6,069 members and supporters of the Council for Citizens Against Government Waste (CCAGW) in Hawaii, I urge you to vote against HB 2051, which would impose restrictions and penalties on violations stemming from data brokering of consumer information.

While we understand the desire to protect data privacy, this bill will unfortunately fail to achieve that objective. Instead, it would create instability and uncertainty for companies doing business over the internet and their customers. The internet is not contained within a single state's boundaries and therefore participants operating within the internet ecosystem can only be regulated by the federal government under the Commerce Clause, Article I, Section 8 of the Constitution.

Because of inaction by Congress, several states have enacted or will be reviewing laws to protect personal information, including online privacy for children, websites, and monitoring employee e-mail communications. These laws would affect any business operating or selling to customers regardless of where the business or customer are located, impinging on interstate commerce. Without the adoption of a consistent national privacy protection framework that preempts state and local laws, more states will continue to enact their own separate rules, raising costs and complicating compliance for businesses and individuals.

Rather than enact more state laws that impose restrictions on businesses performing interstate commerce that also collect consumer data, you and your colleagues in the Hawaii state legislature should encourage Congress to pass a national data privacy framework that will promote innovation while providing certainty across state borders for the regulation of data privacy.

Again, I urge you to vote against HB 2051.

Sincerely,

Tom Schatz