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February 21, 2024

House File 2309 (Elkins)

Dear Chair Stephenson and House Commerce Committee Members,

The National Federation of Independent Business (NFIB) represents over 10,000 small businesses across Minnesota. We advocate for the best interests of Main Street.

NFIB Minnesota appreciates the opportunity to comment on HF 2309, the Minnesota Consumer Data Privacy Act, and would like to express our gratitude to Rep. Elkins for the many thoughtful discussions about this proposal since it was first introduced in 2019.

Securing and carefully managing customer data is important to small businesses and necessary for their survival. However, most do not hold or process large volumes of consumer data or have in-house capabilities to adhere to complex regulatory regimes.

We believe Rep. Elkins' use of the United States Small Business Administration (SBA) definition of small business to define the bill's scope is appropriate for this type of regulation. The SBA thresholds are tailored by industry and reflect real world conditions.

We also support vesting enforcement power in a single enforcement entity, rather than settling disputes or alleged violations through expensive and unpredictable individual litigation. Ideally, administrative enforcement results in more consistent interpretation and guidance, as well as more consistent outcomes for consumers and covered businesses.

Again, NFIB Minnesota thanks Rep. Elkins for taking a thoughtful approach and looks forward to continuing to work with him on this proposal.

Sincerely,

John L. Reynolds

Minnesota State Director

National Federation of Independent Business

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