



March 19, 2024

Senate Committee on Commerce
Attn: Judy Sullivan, Committee Clerk
State House
82 Smith St
Providence, RI 02903

Re: S.B. 2500 - An Act Relating To Commercial Law--General Regulatory Provisions -- Rhode Island Data Transparency And Privacy Protection Act (Support).

Dear Chair Sosnowski, and Members of the Committee on Commerce:

On behalf of the Computer & Communications Industry Association (CCIA), I write to support S.B. 2500, An Act Relating To Commercial Law--General Regulatory Provisions -- Rhode Island Data Transparency And Privacy Protection Act.

CCIA is a 50-year-old not-for-profit international tech trade association that advocates for policy and market conditions that benefit innovation, the tech sector, and consumers¹. CCIA strongly believes that transparent data practices are essential in order to ensure consumer trust in the online marketplace. Consumers need clarity regarding how their data is collected, used, and shared. When consumers understand how their data is being implicated whenever they are online, it allows them to exercise meaningful choice regarding their personal information.

In reviewing S.B. 2500, we appreciate the Legislature's efforts to establish the ability for consumers to understand how their data is being collected, used, and shared online. Doing so will give Rhode Island residents a clearer picture as to how their data is being implicated whenever they are online, empowering them to exercise meaningful choice regarding their personal information. CCIA also appreciates the efforts of the Legislature to update the legislation from last year to help ensure that this legislation promotes interoperability with other existing state comprehensive data privacy laws, a vital component in ensuring that consumer rights are consistent in the region and businesses are able to easily comply with the new law.

As the Legislature considers S.B. 2500, CCIA would like to suggest a few amendments to the bill that could help strengthen it.

First, we suggest that the effective start date of the legislation be pushed back. The current effective date included in the legislation is January 1, 2025, so depending on when the bill completes the legislative process and is signed into law, businesses may only have a few months to set up systems to comply with the new requirements, something that could adversely affect smaller operators captured by the legislation. We

¹ For 50 years, CCIA has promoted open markets, open systems, and open networks. CCIA members employ more than 1.6 million workers, invest more than \$100 billion in research and development, and contribute trillions of dollars in productivity to the global economy. A list of CCIA members is available at <https://www.ccianet.org/members>.



suggest implementing an effective date of July 1, 2025 to ensure that businesses have sufficient time to bring themselves into compliance with the new law.

Secondly, we suggest that Section 6-48.1-5. (b) be amended to ensure that businesses would still be able to offer loyalty or rewards programs to consumers. As currently, drafted S. 2500 would seemingly prohibit businesses from offering consumers lower prices or rewards for voluntary participation in a bonafide loyalty or rewards program. Other states have specifically included language that would still allow consumers to benefit from such programs while still ensuring that businesses cannot discriminate against consumers. Therefore we suggest the Legislature consider including the following language:

“(c) Nothing in subsection (b) shall prohibit a controller from offering a different price, rate, level, quality or selection of goods or services to a consumer, including offering goods or services for no fee, if the offering is in connection with a consumer’s voluntary participation in a bona fide loyalty, rewards, premium features, discounts or club card program.”

Additionally, we suggest a slight amendment to Section 6-48.1-4 (b) to include the word “known”, as indicated below. This addition would avoid creating confusion around what level of knowledge is needed for processing the data of a child. The rest of the legislation uses “known child” and this amendment would provide consistency throughout the bill.

“(b) The controller shall not process sensitive data concerning a customer without obtaining customer consent and shall not process sensitive data of a known child unless consent is obtained and the information is processed in accordance with COPPA.”

Finally, we would encourage the Legislature to include a cure period of at least 30 days for all new regulations created under the legislation. This would allow for actors operating in good faith to correct an unknowing or technical violation, reserving formal lawsuits and violation penalties for the bad actors that the bill intends to address. This would also enable the government to effectively use its resources to enforce the law’s provisions for those that persist in violations despite being made aware of such alleged violations.

* * * * *

We appreciate the Committee’s consideration of these comments and stand ready to provide additional information as the Legislature considers proposals related to technology policy.

Sincerely,

Alex Spyropoulos
Regional Policy Manager, Northeast
Computer and Communications Industry Association