



June 9, 2020

Senate President Ron Kouchi
Senate Majority Leader Kalani English
Senate Vice President Michelle Kidani

House Speaker Scott Saiki
House Majority Leader Della Au Belatti
Representative Sylvia Luke, Chair, House Finance Committee

Hawaii State Capitol
415 South Beretania St.
Honolulu, HI 96813

Dear Senators and Representatives:

On behalf of CTIA®, the trade association for the wireless communications industry, I write in opposition to House Bill 2572 HD2. This bill is overly broad, will have serious unintended consequences, and further fragments U.S. privacy regulation.

Section 4 dealing with internet browser information imposes unreasonable restrictions on internet companies that would negatively affect services that consumers have come to expect. The opt-in provisions in the bill may jeopardize the availability of consumer data for cybersecurity and fraud prevention purposes. This language also threatens the quality of free or low-cost goods and services, which rely on the use of personal data that is subject to safeguards, such as pseudonymization. Online news and other content are often provided to consumers free of charge because they are supported by advertising in exchange for pseudonymous identifiers. Having consumers opt-in for use of this low risk information could negatively impact the provision of low cost or free products and services. Moreover, the opt-in provision could inhibit providing new and innovative services to Hawaii consumers.

The Federal Trade Commission's privacy framework considers precise geolocation information as sensitive information. CTIA supports the FTC framework but has concerns with the geolocation section of HB 2572 HD2. For example, there is no fraud exception, so fraudsters could use the bill's provisions to avoid identifying fraudulent activity. Additionally, these provisions would require children's opt-in consent before their parents or guardians can initiate a tracking service or application. The definition of "geolocation information" is also overly broad and will introduce a host of unintended consequences. For example, a consumer's zip code would fall under the definition of geolocation information, which is not the type of information that CTIA thinks the legislature intends to identify as geolocation information.

In closing, sweeping state legislation like HB 2572 HD2 could hamper the provision of internet service in Hawaii and prevent internet companies from providing new and innovative products and services – all to the detriment of consumers. As the pandemic is still upon us, CTIA respectfully urges the legislature to



reject hastily drafted legislation like this bill that could have serious operational impacts and compliance costs. California is the only state to pass comprehensive privacy legislation, and that law comes with estimated initial compliance costs of \$55 billion or 1.8% of the state's gross domestic product. In addition, Maine last year enacted a privacy law related to internet browsing history. CTIA, along with other associations representing broadband providers, filed suit against the state. The Maine litigation is ongoing. Moreover, HB 2572 HD2 would only further fragment privacy regulation in the United States. This fragmentation does not benefit consumers. For these reasons, CTIA respectfully requests that you not move this legislation.

Sincerely,

A handwritten signature in black ink, appearing to read "Gerard Keegan".

Gerard Keegan
Vice President
State Legislative Affairs

cc: Senator Rosalyn Baker, Chair, Senate Committee on Commerce, Consumer Protection, and Health
Senator Jarrett Keohokalole, Chair, Senate Committee on Technology