

Letter to the General Assembly
Re: Senate Bill 1356,
An Act Concerning Data Privacy, Online Monitoring, Social Media, Data Brokers and
Connected Vehicle Services

May 13, 2025

To the Members of the General Assembly:

On behalf of thousands of Connecticut small businesses, not-for-profits, and healthcare providers we urge you to **oppose Senate Bill 1356**. If enacted, the bill's burdensome and unnecessary restrictions and obligations will make it significantly harder and more expensive for small businesses to connect with new and existing customers — undermining their ability to grow, compete, and contribute to our state economy. Additionally, the elimination of entity level exemptions in the bill would negatively impact healthcare providers (who already must comply with HIPAA) and not-for-profit organizations. Adding complexity and cost for those types of businesses will increase healthcare costs for everyone and weaken community resources.

Today, the Connecticut Data Privacy Act (CTDPA) comprehensively safeguards consumer data while also enabling small businesses to responsibly leverage data-powered marketing, advertising, and communications tools to reach customers and make smart business decisions to reach the right audiences. By severely restricting digital data collection, SB 1356 would needlessly hurt small businesses without adding any meaningful protections for consumers. While SB 1356 proposes a “small business exemption,” it would protect very few businesses, leading to many of the smallest Connecticut businesses being saddled with hefty new compliance and legal fees they can't afford.

Provisions of the bill that would eliminate critical entity-level exemptions for nonprofits and HIPAA covered entities and their business associates would have a negative impact on efforts to identify and address social influencers of health, support communities, and solve for myriad health disparities; and it will make assisting underserved communities harder. We strongly oppose adding regulatory burdens to community systems that help people in need at a time when many nonprofits and their community partners are struggling to keep their doors open while facing looming, widespread, and drastic cuts from the federal government that will impact care providers and community organizations.

We are committed to protecting consumer privacy and ensuring responsible data use. But SB 1356 would make it much harder for small businesses to succeed and healthcare providers and not-for-profits to serve their communities. At the same time, the bill promises no meaningful new consumer privacy benefits.

We respectfully urge you to oppose SB 1356 and preserve the balanced framework already provided by the CTDPA. This is a bill that would harm Connecticut's economy and make it more difficult for a broad range of organizations to meet the needs of the communities, customers, and individuals they serve.

Sincerely,

- Amity Chamber of Commerce
- Central Connecticut Chambers of Commerce
- Connecticut Business & Industry Association
- Connecticut Hospital Association
- Connecticut Retail Network
- Connecticut River Valley Chamber of Commerce
- Greater New Britain Chamber of Commerce
- Greater New Haven Chamber
- Lumber Dealers Association of Connecticut
- Motor Transport Association of Connecticut
- National Federation of Independent Businesses
- Shoreline Chamber of Commerce
- Waterbury Regional Chamber

