













March 7, 2022

The Honorable Senator Wilton Simpson Florida Senate President 409 The Capitol 404 South Monroe Street Tallahassee, FL 32399-1100

The Honorable Senator Lauren Book Florida Senate Minority Leader 200 Senate Building 404 South Monroe Street Tallahassee, FL 32399-1100 The Honorable Senator Debbie Mayfield Florida Senate Majority Leader 330 Senate Building 404 South Monroe Street Tallahassee, FL 32399-1100

RE: Letter in Opposition Florida HB 9 and SB 1864 – End of Session

Dear Senator Simpson, Senator Mayfield, and Senator Book:

On behalf of the advertising industry, we ask the Senate to not move forward on HB 9 and SB 1864 in the waning days of the legislative session. We and the companies we represent, many of whom do substantial business in Florida, strongly believe consumers deserve meaningful privacy protections supported by reasonable government and responsible industry policies. However, important matters like consumer privacy should be given the informed, meaningful, and careful consideration and analysis that a full legislative process provides. Such a process is impossible during the few days left in Florida's general legislative session, which is scheduled to adjourn on March 11, 2022. Passing privacy legislation hastily in the eleventh hour would likely lead to significant adverse effects for Florida consumers and businesses alike.

Similar to the California data privacy law, HB 9 and SB 1864 will prove exceedingly costly to the local Florida business community. A regulatory impact assessment of the California Consumer Privacy Act of 2018 concluded that initial compliance costs to California firms would be *\$55 billion*.² Additionally, a recent study on the 2021 version of Florida HB 9 found that the proposal would have

¹ HB 9 (Fla. 2022), located here; SB 1864 (Fla. 2022), located here.

² See State of California Department of Justice Office of the Attorney General, Standardized Regulatory Impact Assessment: California Consumer Privacy Act of 2018 Regulations at 11 (Aug. 2019), located at https://www.dof.ca.gov/Forecasting/Economics/Major_Regulations/Major_Regulations_Table/documents/CCPA_Regulations-SRIA-DOF.pdf.

generated a direct initial compliance costs of up to \$21 billion and an ongoing annual compliance costs of \$4.6 billion to \$12.7 billion for the state.³ Florida should not rush to pass a privacy law that would impose significant costs on businesses like privacy regulation has done in California, and should instead opt to reexamine the best way to legislate privacy in a new session when there is more time to analyze reasonable approaches.

The five days left in Florida's 2022 general session gives the legislature, Florida residents, business stakeholders, and other invested members of the public virtually no time to assess and weigh in on the important provisions in HB 9 and SB 1864, which would essentially bring industry-crippling California-like privacy requirements to the Sunshine State. Needlessly rushing to push through substantive, onerous privacy legislation in a matter of days leaves little opportunity for a careful analysis of the appropriate way to regulate this highly technical and significant topic, or for incorporating critical feedback from consumers or businesses.

To help ensure Florida residents benefit from a fulsome legislative discussion of appropriate privacy provisions and careful consideration of the impacts of related new requirements, we ask the legislature to hold off on passing HB 9 or SB 1864 this year. Holding the privacy provisions and reassessing privacy legislation in a new session would help Florida residents reap the benefits of experience, and it would help avoid unintended negative consequences for consumers and businesses.

As the nation's leading advertising and marketing trade associations, we collectively represent thousands of companies across the country. These companies range from small businesses to household brands, long-standing and emerging publishers, advertising agencies, and technology providers. Our combined membership includes more than 2,500 companies that power the commercial Internet, which accounted for 12 percent of total U.S. gross domestic product ("GDP") in 2020.⁴ Our group has more than a decade's worth of hands-on experience it can bring to bear on matters related to consumer privacy and controls. We strongly encourage you to decline to pass omnibus privacy legislation in the final days of the legislature's 2022 general session.

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https://floridataxwatch.org/DesktopModules/EasyDNNNews/DocumentDownload.ashx?portalid=210&moduleid=34407&articleid=19090&documentid=986.

³ See Florida Tax Watch, Who Knows What? An Independent Analysis of the Potential Effects of Consumer Data Privacy Legislation in Florida at 2 (Oct. 2021), located at

⁴ John Deighton and Leora Kornfeld, *The Economic Impact of the Market-Making Internet*, INTERACTIVE ADVERTISING BUREAU, 15 (Oct. 18, 2021), located at https://www.iab.com/wp-content/uploads/2021/10/IAB Economic Impact of the Market-Making Internet Study 2021-10.pdf (hereinafter, "Deighton & Kornfeld 2021").

Thank you in advance for your consideration of this letter.

Sincerely,

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