



July 28, 2025

Senate President Karen Spilka  
 State House, Room 322  
 Boston, MA 02133

House Speaker Ronald Mariano  
 State House, Room 356  
 Boston, MA 02133

Senator Michael Rodrigues, Chair  
 Senate Committee on Ways and Means  
 State House, Room 212  
 Boston, MA 02133

Representative Aaron Michlewitz, Chair  
 House Committee on Ways and Means  
 State House, Room 243  
 Boston, MA 02133

Dear Senate President Spilka, House Speaker Mariano, Senator Rodrigues, Representative Michlewitz:

As leaders of Massachusetts-based business, trade, and employer associations, collectively representing thousands of employers across the Commonwealth, we write to express our serious concerns regarding S.2516 and H.78, *An Act establishing the Massachusetts data privacy act*, and other privacy bills that pose a significant threat to the state's economic competitiveness.

We recognize the importance of consumer data privacy and support a framework that is a consistent, thoughtful and comprehensive approach for safeguarding consumers' privacy, expanding consumers' rights, and protecting personal information. We also believe that any data privacy approach must be – and can be – balanced with employer feasibility, limiting compliance costs and avoiding unintended consequences that negatively impact the state's economic competitiveness and our world-class innovation ecosystem. We are concerned that the current proposed versions of Massachusetts data privacy laws would put small, medium, and large businesses operating in Massachusetts at a significant competitive disadvantage.

A successful framework will include clear goals and enforcement, precise drafting, an understanding of existing privacy rules, and a nuanced approach around if, how, and when businesses process data. Unfortunately, in their current forms, S.2516 and H.78 do not achieve

that framework. As you move forward, it is essential that the business community is at the table with our partners in the Legislature to understand the highly technical aspects of this legislation and its practical impacts on both the consumer experience and everyday business functions of our employers.

The bills, as drafted, greatly diverge from a mainly uniform approach that has been adopted by twenty states, including numerous other New England states. Adopting untested or ambiguous standards – that are also unique to Massachusetts – will be extremely burdensome to employers, both large and small. They will cause significant unintended consequences for businesses who operate both across state lines as well as around the country and world, making us an outlier in an increasingly competitive economic environment. In addition, as drafted, these bills include standards that are legally unclear, extremely difficult to meet, confusing to employers, and create expensive new compliance costs.

These compliance problems are only exacerbated by the proposed private right of action enforcement mechanism in the legislation. This proposed new liability will expose Massachusetts businesses to an avalanche of litigation. It will further cement the Commonwealth's status as an outlier, since Massachusetts would have the broadest private right of action in any state.

Private enforcement will not lead to better consumer outcomes and will, instead, result in the creation of a cottage industry of plaintiffs' lawyers targeting these businesses directly. Small businesses and start-ups who cannot afford legal representation are prime targets. The plaintiffs' bar, with support from many advocates of this bill, has already engaged in this behavior in the Commonwealth – unsuccessfully pursuing their privacy goals by suing our hospitals through the state's *Wiretap Act*. While ultimately a failed effort, the millions of dollars necessary to defend against baseless lawsuits in this case demonstrates the likely negative consequences of a bill that is not well tailored to specific desired outcomes.

Small and medium-sized businesses are often operating on thin margins and are currently under increased, immense financial pressure due to the constant uncertainty from the federal government. They have limited resources to accommodate burdensome new state requirements. Compliance costs are of particular concern for our small and medium-sized members who do not have adequate in-house staff to ensure they properly conform to new privacy provisions that would be unique to the Commonwealth.

These proposals come at a particularly difficult time for Massachusetts employers and the state's economy. Unprecedented and unparalleled uncertainty from the federal government continues to delay investment and stifle growth. Moreover, the costs associated with living in the Commonwealth and running a business continue to rise, while the high cost of living and doing business continues to impact families, employers, workforce and the economy.

Thank you for your consideration of our comments. As the state strives to support small businesses and embraces important industries in climate technology, A.I., life sciences, MedTech, health care and finance – all industries impacted by this legislation – we stand ready to work with policymakers in a collaborative effort to safeguard consumer privacy while at the same time supporting the state's overall competitiveness.

Sincerely,

Brooke Thomson, President & CEO  
*Associated Industries of Massachusetts*

James Rooney, President & CEO  
*Greater Boston Chamber of Commerce*

JD Chesloff, President & CEO  
*Massachusetts Business Roundtable*

Jon B. Hurst, President & CEO  
*Retailers Association of Massachusetts*

Tamara Small, CEO  
*NAIOP Massachusetts, The Commercial Real Estate Development Association*

Christopher Carlozzi, State Director  
*National Federation of Independent Businesses*

Timothy Cahill, President & CEO  
*South Shore Chamber of Commerce*

Paul Niedzwiecki, CEO  
*Cape Cod Chamber of Commerce*

Greg Reibman, President & CEO  
*Charles River Regional Chamber*

Zach Donah, CEO  
*Massachusetts Society of CPAs*

Lora Pellegrini, President & CEO  
*Massachusetts Association of Health Plans*

Kendalle O'Connell, CEO & President  
*MassBIO*

Diania Szynal, President & CEO  
*Springfield Regional Chamber*

Michael Sroczynski, Executive Vice President & General Counsel  
*Massachusetts Health & Hospital Association*

Kathleen Murphy, President & CEO  
*Massachusetts Bankers Association*

Christopher Stark, Executive Director

*Massachusetts Insurance Federation*

Karen E. Andreas, President & Chief Executive Officer  
*North Shore Chamber of Commerce*

Andrew Guggenheim, Managing Director & Associate General Counsel  
*Securities Industry and Financial Markets Association*

Tim Wilkerson, President  
*New England Connectivity and Telecommunications Association*

Maura Mann, President  
*Massachusetts Staffing Association*

Timothy P. Murray, President & CEO  
*Worcester Regional Chamber of Commerce*

Mike O'Sullivan, CEO  
*One SouthCoast Chamber*

Brian Johnson, President  
*Massachusetts Medical Device Industry Council*

Jim Klocke, CEO  
*Massachusetts Nonprofit Network*