



Consumer Data Industry Association
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CDIAONLINE.ORG

August 12, 2023

Assemblymember Chris Holden, Chair
Assembly Appropriations Committee
1021 J Street, Room 8220
Sacramento, CA 95864

Re: SB 362 An act relating to data brokers

Dear Chair Holden:

I write on behalf of the Consumer Data Industry Association (CDIA) to oppose SB 362. This bill, as drafted has the potential to create significant unintended consequences that could undermine privacy and data security for California consumers. By proposing a new and untested mechanism to delete consumer data across hundreds of companies, SB 362 would block off data used for good by companies and institutions across the state. Anti-fraud, identity verification services, cybersecurity services, verification services, risk management and beneficiary location services are just a few of the products and services that depend on data to provide consumers protection. These are beneficial services to companies, non-profits, government agencies, and academic institutions. If a significant number of California residents are deleted from those datasets, the data will become deeply corrupted and increasingly incomplete, inaccurate, and unusable. Without this data, these critically important services would be severely impacted for California consumers.

The Consumer Data Industry Association (CDIA) is the voice of the consumer reporting industry, representing consumer reporting agencies including the nationwide credit bureaus, regional and specialized credit bureaus, background check companies, and others. Founded in 1906, CDIA promotes the responsible use of consumer data to help consumers achieve their financial goals, and to help businesses, governments and volunteer organizations avoid fraud and manage risk. Through data and analytics, CDIA members empower economic opportunity, helping ensure fair and safe transactions for consumers, facilitating competition and expanding consumers' access to financial and other products suited to their unique needs.

In addition, SB 362 is unnecessary and confusing. It is duplicative of the rights already afforded to Californians under the CCPA. Californians have the right to deletion under the CCPA which requires businesses to pass those deletion requests to service providers, contractors and third parties. Furthermore, the cost estimates for establishing and maintaining this new government program grossly underestimate the actual costs and will only increase the growing state deficit.

In conclusion, while we support your efforts to provide privacy protections for consumers, SB 362 as currently drafted, could cripple California's data-driven economy and adversely impact nearly every institution in the state. We therefore ask that you oppose SB 362 in its current form, and continue to work with companies, non-profits, law enforcement bodies, educational institutions, and government agencies to address these issues and the negative impacts they may have.

Sincerely,

A handwritten signature in blue ink that reads "Sarah M. Ohs". The signature is written in a cursive, flowing style with a large initial 'S'.

Sarah M. Ohs
Director of Government Relations