



Senator George S. LeMieux  
Chairman of the Board of Trustees

Dominic M. Calabro  
President & Chief Executive Officer

### Comments to the Honorable Erin Grall, Chair, and members of the House Judiciary Committee, regarding HB 9 --- Consumer Data Privacy

My name is Dominic M. Calabro and I am President and CEO of Florida TaxWatch, an independent, nonpartisan, nonprofit, taxpayer research institute & government watchdog which, for over 42 years, has worked to improve the effectiveness, efficiency, and accountability of Florida government and promote a fair and equitable system of taxation.

It is no surprise that we are now dealing with consumer data privacy issues as technology advancements, internet connectivity, and the ongoing digital transformation of the global economy has given way to a proliferation in data and identity-driven products and services. It is also no surprise that we are dealing with consumer data privacy at the policy level since privacy is such an important principle to Floridians that it is enshrined in the state's Constitution.

Our research team has considered the provisions contained in recent proposals and provided an **updated economic analysis** of implementing consumer data privacy in Florida. You can access the latest report, [Session Spotlight: The Impacts of Consumer Data Privacy on Florida's Economy](#), at [FloridaTaxWatch.org](http://FloridaTaxWatch.org). Our assessment reconfirms the findings that the **cost of compliance for a single affected company would range between \$732,000 and \$2.5 million**, and when applied across Florida's economy would produce an **estimated initial compliance cost between \$6.2 billion and \$21.0 billion**. **For ongoing compliance, the direct costs range between \$4.6 billion and \$12.7 billion annually**. Our analysis also integrates additional empirical evidence to consider the combined effects of compliance costs, market inefficiencies, and productivity losses to Florida's economy. The report estimates that the 10 new privacy restrictions included in Florida's HB 9 would decrease the state's Gross Operating Surplus by an estimated 3.9 percent, a loss equal to \$17.2 billion annually.

While we acknowledge that changes that have been made to attempt to limit the impact of the legislation, small and mid-sized businesses in Florida will still face several secondary effects of any consumer data privacy law. To remain economically competitive, businesses within the industries impacted by the current bills will face pressure to adopt consumer data privacy measures even if not mandated to, and they will be forced to find the talent to accomplish this at the very time that the pool of data privacy professionals will be sought and secured by the larger technology firms which are often the target for consumer data privacy legislation.

Florida TaxWatch understands that affording consumers privacy over their personal information is an important and evolving concern; however, the legislature should consider the cost of implementation as this bill moves forward. Continuing to focus the provisions to the universe of those data sellers the legislature is targeting, pushing back the implementation date, including a two-way attorney fee schedule, and other suggestions highlighted in our [prior reports](#) would help minimize adverse outcomes and consequences.

We look forward to working with you and your colleagues on addressing any consumer data privacy policy as it proceeds through the process. Thank you for your consideration and, most of all, thank you and your family for your selfless public service to our state's taxpayers.