



February 11, 2025

The Honorable Jacquelyn M. Baginski, Chairwoman
House Innovation, Internet and Technology Committee
State House
Providence, RI 02903

Re: H.5301 An Act Relating to Criminal Offenses - Identity Theft Protection Act of 2015

Dear Chairwoman Baginski:

The undersigned members of the Rhode Island Business Coalition respectfully oppose the passage of H.5301, An Act Relating to Criminal Offenses – Identity Theft Protection Act of 2015 as it is currently written. This bill seeks to amend the "Identity Theft Protection Act of 2015" to expand the notification and cooperation requirements for entities involved in data breaches.

While we recognize the intent to enhance security and protect Rhode Island residents, we believe that this bill introduces several problematic provisions that could have unintended negative consequences.

First, House bill 5301 significantly increases the burden on small businesses as well as state and municipal entities, by requiring them to provide more detailed notifications of data breaches within a short timeline. This could result in added operational costs and overwhelm smaller businesses, making it harder for them to comply without substantial investment in resources. Additionally, the potential for delayed notifications due to law enforcement requests might undermine the effectiveness of timely public awareness in situations that may already involve significant risk to personal information.

Another concern is the bill's demand for additional cooperation with the Department of Business Regulation and law enforcement. While cooperation is essential in cases of breaches, the bill's broad language could inadvertently lead to businesses disclosing sensitive business information or trade secrets, potentially jeopardizing proprietary data.

The Rhode Island Business Coalition represents 50 industries and 6,280 businesses that employ 231,200 people throughout Rhode Island.

While it is crucial to safeguard residents from identity theft, the current provisions may create more challenges than they resolve, particularly for smaller businesses.

Thank you for your consideration of our concerns.

Sincerely,

American Council of Engineering Companies of Rhode Island

National Federation of Independent Business

Rhode Island Association of Realtors

Rhode Island Bankers Association

Rhode Island Business Group on Health

Rhode Island Hospitality Association

Rhode Island Manufacturers Association

Rhode Island Marine Trade Association

Rhode Island Mortgage Bankers Association

Rhode Island Staffing Association

Small Business Economic Summit Regulations Subcommittee

Small Business Economic Summit Tax and Budget Committee

cc. House Innovation, Internet and Technology Committee members