



April 7, 2025

The Honorable Brett Guthrie
Chairman, House Committee on
Energy and Commerce
2125 Rayburn House Office Building
Washington, D.C. 20515

The Honorable John Joyce
Vice Chairman, House Committee on
Energy and Commerce
2125 Rayburn House Office Building
Washington, D.C. 20515

RE: House Energy and Commerce Committee Privacy Working Group

Thank you for your leadership in launching the House Energy and Commerce Committee's comprehensive data privacy working group. Internet for Growth—representing a nationwide coalition of small businesses and creators that rely on digital advertising, marketing, and media—strongly supports the development of a clear, national data privacy framework. We commend your willingness to listen to stakeholders and address the growing impact that state-by-state privacy laws are having on small businesses, consumers, and the broader economy.

Small businesses are at the heart of the American economy—and they are also among the greatest beneficiaries of the open internet. From local retailers and health providers to family farms and media startups, entrepreneurs across the country use digital tools to reach their customers, tell their stories, and grow. These tools are especially vital for businesses with limited budgets, allowing them to engage specific audiences affordably and efficiently. A smart federal privacy law should reflect this reality—preserving the ability of small businesses to advertise and operate online while providing strong protections for consumers.

We've seen this impact firsthand. In Columbus, Ohio, Oma Withers expanded her hair restoration clinic into a global business—thanks to digital advertising. By promoting her natural approach to hair care online, she's been able to reach clients around the world. In Richmond, Virginia, Charleen McManus uses digital tools to connect patients with addiction treatment services—showing how personalized marketing can advance healthcare access and social impact, not just commerce. Thousands of Internet for Growth members across the country share similar stories: without digital tools, they simply couldn't compete.

That's why a consistent national standard is so important. Without action, conflicting state laws will continue to raise costs, limit opportunity, and make it harder for small businesses to compete online. Entrepreneurs without legal teams, compliance departments, or privacy engineers are now expected to navigate a maze of complex and inconsistent rules—creating an uneven playing field that favors larger companies. While state privacy laws aim to protect consumers, the current system is placing an unfair burden on the very businesses that depend on, and help sustain, the free, ad-supported internet.



To ensure strong privacy protections for all Americans—and to provide clarity for businesses operating across state lines—a national privacy framework must fully preempt state-level privacy laws. While some states have enacted thoughtful legislation that supports innovation and economic growth, others have taken a more restrictive approach that threatens to turn back the clock on digital progress. A consistent, nationwide standard is essential to reduce compliance burdens, strengthen consumer trust, and help small businesses operate with confidence in the digital economy.

Unfortunately, some past federal proposals have missed the mark. Bills like the American Privacy Rights Act and the American Data Privacy and Protection Act would have imposed vague, sweeping restrictions on everyday data practices. They treated digital advertising as a problem to be solved—not a vital tool for small businesses. These bills also created serious legal risks by allowing individuals to sue over minor technical violations, exposing businesses to costly lawsuits even when no harm was done.

Strict “data minimization” mandates and expansive definitions of “sensitive data” would have penalized small businesses for using common digital tools. They may have limited the ability of issue advocacy groups and nonprofits to communicate with their supporters. Any new federal law should reflect the reality that digital advertising is not only expected by consumers, but essential to how organizations of every size operate and communicate in today’s economy.

As you consider the path forward, we urge the working group to pursue a federal privacy standard that preserves the benefits of relevant, personalized advertising; supports the ad-funded internet; and protects the economic freedom of small businesses and creators across the country. This Congress has the best chance yet to pass a national privacy law that works for both consumers and small businesses. By avoiding overregulation and ensuring legal clarity, lawmakers can create a framework that strengthens trust, enhances transparency, and drives American innovation.

Thank you again for your leadership, your commitment to small businesses, and your dedication to getting this right. We look forward to continued engagement with the working group and stand ready to support your efforts in shaping a strong, smart federal privacy standard.

Sincerely

Brendan Thomas

Brendan Thomas

Executive Director
Internet for Growth

CC: Congressman Morgan Griffith (VA-09); Congressman Troy Balderson (OH-12); Congressman Jay Obernolte (CA-23); Congressman Russell Fry (SC-07); Congressman Nick Langworthy (NY-23); Congressman Tom Kean (NJ-07); Congressman Craig Goldman (TX-12); Congresswoman Julie Fedorchak (ND-AL)