



Consumer Data Industry Association
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April 6, 2026

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Representative Erin Koegel
Chair
House Commerce Finance and Policy Committee
Minnesota House of Representatives
Room 120
75 Rev. Dr. Martin Luther King Jr. Blvd,
St. Paul, MN 55155.

CDIAONLINE.ORG

Chair Koegel, Chair O'Driscoll, and Members of the Committee:

I write on behalf of the Consumer Data Industry Association (CDIA) to express our opposition to HF 4456, a data broker registration proposal that fails to properly align with Minnesota's existing comprehensive data privacy statute. Although this legislation strives to regulate data aggregators, it falls short of providing new regulations on the entire community by narrowing its definition of a data broker. Given the issues with the scope of HF4456's requirements and the mismatch between this bill and Minnesota's existing data privacy statute, we respectfully request that the committee reject this bill.

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.

While we are concerned about protecting personal and sensitive information, this legislation narrows the definition of a data broker and mandates unnecessary requirements that are unwarranted and impractical. CDIA believes that there is nothing inherently unique to a data broker's operation that should require such registration. This is particularly true considering Minnesota, like 21 other states, has established a comprehensive data privacy statute that establishes clear responsibilities for businesses that work with personal data and clear rights for consumers regarding how covered data is used.

Imposing a registration requirement on businesses that buy and sell data does not protect a consumer when most of the entities who work with data subject to the data privacy law would not need to register while many entities who work solely with data exempt from the data privacy law would have to register. It is not clear how this mismatch in requirements would help consumers or advance privacy concerns.

By arbitrarily excluding businesses based on an arbitrary consumer-relationship standard, HF4456 is unlikely to provide increased clarity for consumers or accurately capture the breadth of data aggregation in the United States. Despite the millions of companies across the United States engaged in data aggregation as contemplated by HF4456, in states with similar registries, like California for example, only 500 or so companies have registered. The discrepancy puts the size of the loophole created by HF4456 definition into stark relief and underscores the minimal consumer benefit of a registry.

From CDIA's perspective if the activity contemplated by HF4456 is of such serious and substantial concern that entities must register with the Attorney General, it seems strange to adopt a definition of that activity that would exempt the overwhelming majority of aggregators. The focus on entities without a direct relationship is even stranger when you consider that the overall data aggregation ecosystem relies on the

collection and sale of this information by the very companies with direct relationships that the bill generally seeks to exempt.

CDIA's member companies are already tightly regulated by a variety of federal privacy statutes. CDIA appreciated the opportunity to work with the legislature on the data privacy statute, which took care to align the requirements of that law with those obligations our members operated under at the federal level, like the federal Fair Credit Reporting Act (FCRA), the Gramm-Leach-Bliley Act (GLBA), and the Driver's Privacy Protection Act (DPPA). Altogether, these federal statutes and others exist to regulate business practices where personal information is collected, balancing the reasonable and necessary use of data to support our modern economy while ensuring robust protections for consumers to understand what is being collected and how it can be used.

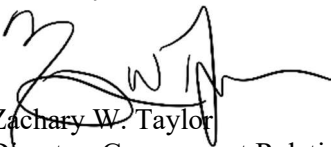
Instead of utilizing arbitrary exemptions based on business models, HF4456 should be aligned with the existing data privacy statute and respect the exemptions for certain data streams and activities to ensure alignment. This represents a far more workable, logical, and reasonable approach as opposed to the current structure where companies largely working with exempt data or engaged in exempt activities would need to register as "data brokers". It is not only a burden for these businesses, it creates confusion for consumers in relation to their rights.

With that in mind, CDIA respectfully urges the committee to reject HF4456 as it relies on definitions that would exclude the largest data aggregators operating in the state, while arbitrarily focusing on entities that are already heavily regulated at the federal level.

If the state believes there is need for transparency, we believe you should consider regulating those data brokers that are not currently regulated at the federal level and adjust the exemption language in this proposal to clearly effectuate that intent. This would hold the entire data broker community to the same standard, rather than only focusing on a portion of the industry that is already heavily regulated federally but not eligible for the entity-level exemptions in the bill, even when they work entirely with exempt data streams.

Thank you for your consideration of our comments.

Sincerely,



Zachary W. Taylor
Director, Government Relations
Consumer Data Industry Association