



March 25, 2026

Chair Koegel, Chair O'Driscoll, and members of the committee:

On behalf of the Minnesota Chamber of Commerce and our more than 6,300 member businesses across the state, I write to express concerns with HF 3794, as amended. We agree that consumers and workers should be treated fairly in the marketplace, however, we have significant concerns with the scope and structure of the bill.

HF 3794 regulates what it defines as “surveillance data,” “automated decision systems,” and “surveillance price discrimination.” These definitions are broad and may encompass routine behavioral and transactional information that businesses use every day. Across sectors including retail, hospitality, logistics, manufacturing, and technology, employers rely on automated tools to manage inventory, prevent fraud, administer loyalty programs, respond to changes in demand, and structure compensation systems. These tools are foundational to modern commerce and often help reduce costs for consumers.

While the bill includes exclusions for cost-based pricing, public discounts, insurance risk data, and federally regulated credit decisions, the boundaries between prohibited conduct and these exclusions may be difficult to apply in practice. For example, the bill allows price differences based on “differences in cost incurred to provide a good or service,” but it is unclear how employers should determine which data inputs or operational factors qualify under that standard. Despite the inclusion of definitions and exclusions, businesses may still face uncertainty in applying these provisions to common pricing and compensation tools.

This ambiguity creates meaningful compliance risk. Employers would be required to interpret complex statutory language with the potential for enforcement consequences if those interpretations differ from regulators. This type of uncertainty increases legal exposure, slows innovation, and discourages investment.

In addition, the bill extends beyond pricing into workplace management by establishing a new regulatory framework addressing what it characterizes as “surveillance-based wage discrimination.” Following several recent changes to workplace regulations, employers need the flexibility to make decisions regarding wages, benefits, and scheduling that reflect the needs of their workforce and operations. Minnesota workplaces are already subject to

significant regulatory requirements, and the Chamber remains concerned about the cumulative impact of additional mandates.

For these reasons, the Minnesota Chamber of Commerce cannot support HF 3794 as amended.

Thank you for your consideration.

Sincerely,

Jonathan Cotter
Director of Health Care and Commerce Policy
Minnesota Chamber of Commerce