

February 24, 2026

Representative Tim O’Driscoll  
Co-Chair, Committee on Commerce  
Finance and Policy  
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St. Paul, MN 55155

Representative Erin Koegel  
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Representative Steve Elkins  
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Representative Bernie Perryman  
Co-Vice Chair, Committee on Commerce  
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**RE: Letter in Opposition to Minnesota HF 2700**

Dear Co-Chair O’Driscoll, Co-Chair Koegel, Co-Vice Chair Elkins, and Co-Vice Chair Perryman:

On behalf of the advertising industry, we write to oppose Minnesota HF 2700.<sup>1</sup> We provide this letter to offer our non-exhaustive list of concerns about this bill. HF 2700 would amend the Minnesota Consumer Data Privacy Act (“MCDPA”) by adding provisions that would significantly frustrate Minnesota consumers and hinder businesses’ attempts to reach them with legitimate and lawful advertising. As presently drafted, the bill would have far-reaching, unintended, and unfavorable consequences for Minnesotans and the business community alike. Accordingly, we ask you to decline to advance the bill as drafted out of the House Committee on Commerce Finance and Policy (“Committee”).

As the nation’s leading advertising and marketing trade associations, we collectively represent thousands of companies across the country. These companies range from small businesses to household brands, advertising agencies, and technology providers. Our combined membership includes more than 2,000 companies that power the commercial Internet, which accounted for nearly 20 percent of total U.S. gross domestic product (“GDP”) in 2024.<sup>2</sup> By one estimate, approximately 18.4% of Minnesota jobs in 2024 were related to the ad-subsidized Internet, a share projected to increase to 19.8% by 2029.<sup>3</sup> Our group has more than a decade’s worth of hands-on experience it can bring to bear on matters related to consumer privacy and controls. We would welcome the opportunity to engage with the Committee further on the points we discuss in this letter.

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<sup>1</sup> Minnesota HF 2700 (2026 Session), located [here](#) (hereinafter, “HF 2700”).

<sup>2</sup> S&P Global, THE ECONOMIC IMPACT OF ADVERTISING ON THE US ECONOMY, 2024-2029 at 4 (Aug. 2025), located at [https://theadcoalition.com/wp-content/uploads/2025/08/TAC\\_SP-Global-Final-Report\\_August-2025.pdf](https://theadcoalition.com/wp-content/uploads/2025/08/TAC_SP-Global-Final-Report_August-2025.pdf).

<sup>3</sup> *Id.* at 15-16.

## **I. HF 2700’s definition of “health data” is overly broad.**

HF 2700 would amend the MCDPA by adding a new, overly broad definition of “health data,” which could unintentionally impede Minnesotans from receiving useful and relevant information about products and services they may desire. As defined, the term “health data” would include any information that could possibly be related—however tangentially—to the health of an individual.<sup>4</sup> The definition could be interpreted to include basic data points, such as the fact that an individual purchased non-prescription shampoo for individuals with dry hair at a local grocer, attended a fitness class, or signed up to receive promotional notices about specific clothing or footwear restocks. None of this information is inherently related to health, but HF 2700’s broad definition of “health data” could sweep such information into its ambit.

The Committee should consider updating the bill to narrow the definition of the term “health data.” We recommend that the Committee align the bill’s definition of “health data” with the majority of states that have passed legislation regulating consumer health data, such as the definitions of the term in the Connecticut, Maryland, and Nevada laws.<sup>5</sup> In those state laws, “consumer health data” is personal information that is linked or reasonably capable of being linked to a consumer and that “*is used to identify*” the past, present, or future health status of the consumer. This definition would help ensure that the term is cabined to information actually used to identify a consumer’s health status and that less sensitive data points are not unintentionally swept into the definition of the term.

## **II. HF 2700 would prohibit advertising to consumers who are in or near entities providing in-person health care services or supplies.**

HF 2700 would amend the MCDPA by adding a new section that would prohibit any person from implementing a geofence around an entity that provides in-person health care services or supplies where the geofence is used to identify or track consumers seeking such services or supplies, collect health data from a consumer, or send notifications, messages, or advertisements to a person related to the person’s health data, health care services, or supplies.<sup>6</sup> As discussed above, the definition of “health data” is so broad that this geofencing restriction could functionally outlaw many types of non-sensitive advertising to consumers within the vicinity of health care entities. Whole neighborhoods around hospitals may effectively become off limits to ordinary location-based advertising. For example, a gym or a shoe store near a hospital could be restricted from location-based advertising, even when the advertising content is as generic as “New Year fitness deals!” or “Healthy meal prep class!” or “Restock on orthopedic sneakers!” simply because of its proximity to an entity that provides in-person health care services. The bill risks turning areas into commerce “dead zones,” not because advertisements are based on sensitive health data, but because the geofencing restriction applies in a manner that would chill economic activity. We encourage the Committee to carefully consider HF 2700’s potential impact on location-based advertising that consumers expect and value.

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<sup>4</sup> HF 2700 at Sec. 1, § 325M.11(p).

<sup>5</sup> See Conn. Gen. Stat. § 42-515(9); Md. Code Ann., Com. Law § 14-4601(I); Nev. Rev. Stat. § 603A.430.

<sup>6</sup> HF 2700 at Sec. 5, § 325M.178.

### **III. HF 2700’s consent requirements would cause frustration for individuals in Minnesota.**

HF 2700 would amend the MCDPA to require a regulated entity to obtain separate consent for different processing activities.<sup>7</sup> In addition, sales of sensitive data would require “separate and distinct” written consent, and consent for “sharing” and “processing” would also have to be separate and distinct from one another.<sup>8</sup> These consent requirements would inundate Minnesotans with an overwhelming number of consent requests to carry out basic data processing activities that their counterparts in neighboring states, such as Iowa and Nebraska, would not have to face. The bill is consequently likely to result in significant consent fatigue for individuals in Minnesota instead of providing meaningful privacy protections. Moreover, the valid authorization requirement for “sales,” which requires signature by a consumer, would introduce considerable friction into Minnesotans’ experiences with companies without providing commensurate benefits.<sup>9</sup> The MCDPA already requires controllers to obtain consumer consent before processing sensitive data, including selling or sharing it, and this approach aligns with the vast majority of state privacy laws. HF 2700 should not depart from this established consensus by imposing significantly different and burdensome requirements on Minnesota businesses and consumers.

### **IV. HF 2700 would remove the existing exemption for small businesses under the Minnesota Consumer Data Privacy Act.**

HF 2700 would upend the MCDPA’s current approach to scoping applicability by eliminating the existing small business exemption.<sup>10</sup> Under current law, small businesses, as defined by U.S. Small Business Administration standards, are expressly excluded, with one targeted exception: small businesses may not sell sensitive data without prior consent.<sup>11</sup> HF 2700 would remove the broader small business exemption from MCDPA and repeal this tailored provision, replacing it with a one-size-fits-all compliance regime.<sup>12</sup> This heavy-handed approach would impose significant compliance costs on small businesses, many of which are vital to Minnesota’s local economy. We urge the Committee to preserve the small business exemption, which reflects a balanced framework consistent with the approach taken by a majority of states that have enacted privacy laws.

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<sup>7</sup> HF 2700 at Sec. 3, § 325M.16(2)(d).

<sup>8</sup> HF 2700 at Sec. 4, § 325M.175(2), Sec. 3, § 325M.16(2)(d), (f).

<sup>9</sup> HF 2700 at Sec. 4, § 325M.175(2).

<sup>10</sup> HF 2700 at Sec. 2, § 325M.12(2)(19).

<sup>11</sup> Minn. Stat. § 325M.17.

<sup>12</sup> HF 2700 at Appendix.



We respectfully ask the Committee not to advance HF 2700 as proposed and would welcome the opportunity to engage further and work with you to craft amendments to the MCDPA that would benefit Minnesota businesses and consumers alike.

Thank you in advance for your consideration of this letter.

Sincerely,

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CC: Members of the Minnesota House Committee on Commerce Finance and Policy

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