AB 375 (CHAU) INTERNET SERVICE PROVIDERS: CUSTOMER PRIVACY OPPOSE AS AMENDED SEPTEMBER 12, 2017



September 14, 2017

TO:	Members, California State Assembly
FROM:	California Chamber of Commerce XMA Axiom Corporation Altice USA, Inc. Association of National Advertisers AT&T Auto Alliance Brea Chamber of Commerce California Bankers Association California Business Properties Association California Business Properties Association California Communications Association California Communications Association California Justice Association of California California Restaurant Association California Restaurant Association California Restaurant Association California Retailers Association Camarillo Chamber of Commerce Celluar Telecommunications and Internet Association Charter Communications Concast Computing Technology Industry Association – CompTIA Consolidated Communications Consumer Data Industry Association Cox Enterprises Data & Marketing Association Entertainment Software Association Facebook Fountain Valley Chamber of Commerce Frontier Communications Google Greater Irvine Chamber of Commerce International Franchise Association Internet Association Internet Association Internet Coalition Liberty Mutual Mediacom Communications Motion Picture Association of America Oath: Orange County Business Council Oxnard Chamber of Commerce Rachoo Grodowa Chamber of Commerce Rachoo Grodowa Chamber of Commerce Rachoo Grodowa Chamber of Commerce Ratel Industry Leaders Association San Gabriel Economic Partnership Santa Maria Valley Chamber of Commerce Ratelli and Braaccast Communications Association Silicon Valley Leadership Group South Bay Association of Chambers of Commerce Satellite and Broadcast Communications Association Silicon Valley Leadership Group South Bay Association of Chambers of Commerce Sprint State Privacy and Security Coalition T Mobile TechNet Verizon

SUBJECT: AB 375 (CHAU) INTERNET SERVICE PROVIDERS: CUSTOMER PRIVACY OPPOSE AS AMENDED SEPTEMBER 12, 2017

The California Chamber of Commerce and the coalition of business and technology organizations listed above **OPPOSE AB 375**. This bill was gutted and amended in the Senate. Then, during policy committee hearings, the author agreed to align the bill with a Federal Communications Commission regulation. Instead of fixing the bill, amendments of August 21st compounded problems in the bill. Those amendments attempted to mirror a 7-page Rule without reference to or inclusion of the 169-page Report and Order that provided the definitions, exceptions, and exemptions in the Rule.

AB 375 is being amended again. The amendments of September 12, 2017, are an admission that the bill is deficient, yet the current version of **AB 375** remains entirely unworkable. Now, this bill has been gutted twice and heavily amended a third time. The latest amendments introduce new concepts and definitions that have never been considered or codified. The last two versions have received no policy committee hearings. The September 12th Amendments to AB 375 Do Not Address the Coalition's Concerns. The Entire Coalition Remains Opposed to AB 375.

Even taking into account the September 12th amendments, **AB 375** is vague and unclear to a degree that will have serious effects on consumers and businesses. Foundational concepts are lacking, including a clear definition of what businesses the bill covers. The bill would also lead to recurring pop-ups to consumers that would be desensitizing and give opportunities to hackers. The bill also prevents internet providers from using information they have long relied upon to prevent cybersecurity attacks and improve their service. Thus, the bill at once increases the likelihood of cyber threats while hamstringing businesses from fighting the same threats.

This bill will create a cumbersome, uncertain, and vague regulation of internet providers in California. This single-state approach is antithetical to the forward-looking policies that have made California a world leader in the Internet Age. California has so much at stake and cannot afford to get this wrong. **AB 375 will hurt California's innovation economy and consumers. VOTE NO ON AB 375.**

cc: The Honorable Ed Chau Tom Dyer, Office of the Governor Jared Yoshiki, Assembly Republican Caucus District Offices, Members, California State Assembly

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