

Vermont's Commitment to Privacy, Liberty & Innovation

Personal privacy, freedom, individual liberty, and equality are inalienable rights enshrined in our nation's founding Constitution. At the same time, we recognize that business innovation is critical to our economic growth and the prosperity of Vermont's communities. Upholding these principles, the 2025 draft of Vermont's Data Privacy & Online Surveillance Act reflects thousands of hours of stakeholder feedback. It centers on consumer protection while providing clear direction for businesses—ensuring they can not only comply with the law but also continue engaging with existing customers and attracting new ones.

What Were the Most Significant Changes Between the 2024 & 2025 Versions?

This year's draft remains grounded in the framework of Connecticut SB 6 (2022), as well as subsequent amendments on consumer health and minor protections from Connecticut SB 3 (2023). Legislative Counsel and I have responded with a number of adjustments that address concerns from the business community while maintaining the core consumer protections expected by Vermonters.

We heard concerns that businesses worried that the bill restricted their ability to engage in direct marketing through various channels. Drawing on input from Vermont, other U.S. states, and the process surrounding the American Privacy Rights Act, we incorporated clearer distinctions between first- and third-party marketing, as well as between contextual and targeted advertising. We made clear that businesses can continue to use data they gather from their customers and website visitors to communicate and send ads.

We significantly revised the enforcement section. Now, consumers must first engage in intermediary steps with the Attorney General before pursuing a private right of action to address violations. Consumers cannot bring a private right of action against any company earning less than \$25 million in annual revenue. Additionally, the private right of action continues to be both (1) limited in scope (anchored to violations of specific parts of the bill) and (2) limited in applicability - to data brokers (entities that sell personal data) as well as large data holders (businesses that collect the data of 100,000 Vermonters or more per year).

In keeping with evolving state privacy legislation, we adjusted several definitions, such as those for sensitive data and publicly available information.

Under the 2024 version, businesses that have already created a data protection assessment to comply with another state's requirements would not need to craft a separate, Vermont-specific assessment. This interoperability provision now also extends to privacy policies.

We added exceptions allowing controllers and processors to use data for critical purposes, including conducting product recalls, performing research projects, carrying out necessary internal operations, and identifying and repairing technical errors.

In response to feedback that the bill was too lengthy, we reduced its length from 105 pages to 64. We also made slight structural adjustments to enhance overall readability.

We have maintained strong measures when it comes to consumers' most sensitive data, consumer health data, data of minors under 18, and situations that present heightened risks. These robust protections build upon the inalienable rights to personal privacy, freedom, individual liberty, and equality that are enshrined in our nation's founding Constitution.

Supporting Trustworthy & Resilient Businesses

At the same time, by streamlining requirements and fostering clear guidelines, we support business innovation and ensure that Vermont remains a competitive and attractive environment for enterprises to thrive. Privacy and data security are increasingly critical for consumer trust in business. This bill sets clear rules that enable Vermont businesses to gain that trust. Businesses that earn consumer trust gain a competitive advantage in the market and reduce their risks and costs by becoming more resilient and less likely to suffer from data breaches. This trust not only enhances their reputation but also contributes to lower vulnerability to security incidents, fostering a stronger and more secure economic landscape in Vermont.

Stay Informed & Engaged

I invite and encourage stakeholders to schedule one-on-one discussions and/or submit redlines. My email is <mailto:mpriestley@leg.state.vt.us>. Additionally, please [complete this form](#) if you would like to receive updates on the technology policies I am working on.