



MARYLAND TECH COUNCIL

TO: The Honorable Delores G. Kelley, Chair
Members, Senate Finance Committee
The Honorable Susan C. Lee

FROM: Richard A. Tabuteau
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DATE: February 19, 2020

RE: **OPPOSE** – Senate Bill 443 – *Consumer Protection – Security Features for Connected Devices*
OPPOSE – Senate Bill 957 – *Maryland Online Consumer Protection Act*

The Maryland Tech Council (MTC) is a collaborative community, actively engaged in building stronger life science and technology companies by supporting the efforts of our individual members who are saving and improving lives through innovation. We support our member companies who are driving innovation through advocacy, education, workforce development, cost savings programs, and connecting entrepreneurial minds. The valuable resources we provide to our members help them reach their full potential making Maryland a global leader in the life sciences and technology industries. On behalf of MTC, we submit this letter of **opposition** for Senate Bill 443 and Senate Bill 957.

Senate Bill 443 requires a manufacturer of a “connected device” to equip the device with a reasonable “security feature”. A connected device is considered to have a reasonable security feature if it is equipped with a means for authentication outside of a local area network that includes either a preprogrammed password that is unique to each connected device or a process that requires the user to generate a new means of authentication before the user is granted access for the first time. Senate Bill 957 requires businesses that collect a consumer's personal information to provide clear and conspicuous notices to the consumer at or before the point of collection. It requires a business to comply with a request for information within 45 days after receiving a verifiable consumer request.

Though MTC recognizes the importance of protecting online consumer data and providing certain security features for connected devices, the matters that Senate Bill 443 and Senate Bill 957 address should and must be resolved on the federal level. Meaningful consistent compliance by industry would be more reliably satisfied with a uniform nationwide solution. This bill would have the effect of imposing millions of dollars of compliance costs on tech businesses and would harm the State’s economy more than it would protect consumer privacy. We understand that the tech industry is working with the Sponsor on amendments and are hopeful that consensus can be reached. However, as currently drafted, MTC urges an unfavorable report for Senate Bill 443 and Senate Bill 957.

For more information call:

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