HB0567: Maryland Online Data Privacy Act of 2024 February 9, 2024 R.J. Cross, Maryland PIRG Favorable

Maryland PIRG is a state based, small donor funded public interest advocacy organization with grassroots members across the state. We work to find common ground around common sense solutions that will help ensure a healthier, safer, more secure future.

When we use our favorite apps, websites and smart devices, the companies on the other side are often gathering information about us. Sometimes it's data that makes sense; Amazon needs your shipping address to send you a package. Often, however, the data companies collect <u>far exceeds</u> what's necessary for delivering the service consumer's are expecting to get, and they often use it for irrelevant purposes. These practices are incredibly common - and dangerous for consumers' personal security.

The more data that companies collect about you, and the more companies they sell it to or share it with, the more likely it is your information will be exposed in a breach or a hack. This makes it more likely your information will end up in the wrong hands like with identity thieves or scammers.

The Online Data Privacy Act of 2024, as currently drafted, will protect Maryland residents against threats to their personal security. It is imperative that this legislation does not get watered down.

The heart of the Online Data Privacy Act that will most benefit consumers is its data minimization provisions. These are common sense protections that will make sense to everyone. Namely:

- Limiting the collection of personal data to what is reasonably necessary and proportionate to provide or maintain a specific product or service requested by the consumer. This would solve the problem of, for example, the fast food chain Tim Hortons allegedly using its <u>mobile ordering app</u> to harvest the location data of users 24/7, even when the app was closed. Tim Hortons doesn't need to collect my location every day in order for me to place an order at the nearest restaurant once.
- Prohibiting companies from processing, sharing or selling sensitive data such as health, religious beliefs, or geolocation in ways that have nothing to do with delivering the service a consumer is expecting to get. This would stop educational apps used by schools, for example, from <u>selling schoolchildren's data</u> to data brokers and advertising companies. This protection is crucial for minors, but it makes sense for everyone.

The Maryland Online Data Privacy Act of 2024 should strengthen this latter provision to prohibit the secondary uses of **all** consumer data, not just sensitive information. This would be a clear cut solution that is intuitive to people: only gather my data when it's necessary, and use it for what I'm expecting. It makes sense, and it's the single best thing we can do to protect people's personal security.

A word of warning: Across the country, states are trying to pass data privacy laws that protect people. However, many of them end up facing <u>massive efforts</u> by <u>corporate trade</u> groups and <u>Big Tech</u> lobbyists <u>that have</u> developed <u>a playbook</u> used nearly everywhere. Many of the bills have become so industry-friendly, they do virtually nothing for the people they're supposed to protect.

Maryland has the opportunity to take a different path.

We respectfully request a favorable report.