

MHLA
Maryland Hotel
Lodging Association

Testimony in Opposition to HB 567
Maryland Online Data Privacy Act of 2024
March 21, 2024 – Senate Finance Committee

The Maryland Hotel Lodging Association (MHLA) serves as the sole statewide trade association dedicated to advocacy for Maryland’s 750+ hotels. Our industry employs more than 25,000 individuals and provides the state with \$1 billion in state and local taxes, \$5 billion in total wages and salaries, and \$9 billion in total gross domestic product.

We are supportive of measures to enhance data privacy and our members did not express concerns with HB 567 as introduced. However, amended language added under **14-4607** (p. 23, line 19 – p. 24, line 3) has caused significant concern by major hotel brands across the country and is the reason for our strong opposition to the bill in its current form.

Hotel loyalty programs are voluntary and transparent with customers informed of the benefits offered and the data sharing involved through disclosure prior to opting in. The bill’s numerous disclosure and opt-out obligations regarding data sales and transfers to third parties would apply to loyalty programs, which makes the punitive restrictions added by amendment, as referenced above, unfair and unnecessary. Holding loyalty programs to a substantially higher standard than other controllers (i.e. data brokers, social media companies, or metasearch companies) does not make sense from either a practical or a policy perspective.

Please note that MHLA has signed onto a joint statement of opposition (submitted separately) further outlining our concerns with HB 567. As noted in the joint statement, **we urge you to exclude the unworkable language added to the loyalty programs clause by amendment to HB 567, and instead adopt the language provided in the Senate’s companion bill SB 541 that properly preserves *bona fide* customer loyalty programs.**

Respectfully submitted,

Amy Rohrer
President & CEO
Maryland Hotel Lodging Association