

HOUSE BILL 148

I3, K3, S1

6lr0698

(PRE-FILED)

By: **Delegate Vogel**

Requested: August 14, 2025

Introduced and read first time: January 14, 2026

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Consumer Protection and Labor and Employment – Surveillance-Based Price**
3 **and Wage Setting – Prohibition**

4 FOR the purpose of prohibiting a person from engaging in certain surveillance-based price
5 setting; making a certain violation of this Act an unfair, abusive, or deceptive trade
6 practice that is subject to enforcement and penalties under the Maryland Consumer
7 Protection Act; prohibiting an employer from engaging in certain surveillance-based
8 wage setting; and generally relating to surveillance-based price and wage setting.

9 BY repealing and reenacting, with amendments,
10 Article – Commercial Law
11 Section 13–301(14)(xlvii)
12 Annotated Code of Maryland
13 (2025 Replacement Volume)

14 BY repealing and reenacting, without amendments,
15 Article – Commercial Law
16 Section 13–301(14)(xlviii)
17 Annotated Code of Maryland
18 (2025 Replacement Volume)

19 BY adding to
20 Article – Commercial Law
21 Section 13–301(14)(xlix) and 14–1330
22 Annotated Code of Maryland
23 (2025 Replacement Volume)

24 BY repealing and reenacting, without amendments,
25 Article – Labor and Employment
26 Section 3–103(a)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Annotated Code of Maryland
(2025 Replacement Volume)

BY adding to
Article – Labor and Employment
Section 3–103(e)(7) and 3–718
Annotated Code of Maryland
(2025 Replacement Volume)

BY repealing and reenacting, without amendments,
Article – State Finance and Procurement
Section 3.5–801(a) and (c)
Annotated Code of Maryland
(2021 Replacement Volume and 2025 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That the Laws of Maryland read as follows:

Article – Commercial Law

13–301.

Unfair, abusive, or deceptive trade practices include any:

(14) Violation of a provision of:

(xlvii) Title 14, Subtitle 50 of this article; [or]

(xlviii) Section 13–411.1(c)(2) of the Transportation Article; or

(XLIX) SECTION 14–1330 OF THIS ARTICLE; OR

14–1330.

**(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
INDICATED.**

**(2) “ARTIFICIAL INTELLIGENCE” HAS THE MEANING STATED IN §
3.5–801 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

**(3) (I) “AUTOMATED DECISION SYSTEM” MEANS A SYSTEM,
SOFTWARE, OR A PROCESS THAT USES COMPUTATION TO ASSIST, APPROXIMATE, OR
REPLACE HUMAN DECISION MAKING.**

1 (II) “AUTOMATED DECISION SYSTEM” INCLUDES A SYSTEM,
2 SOFTWARE, OR A PROCESS DERIVED FROM MACHINE LEARNING, STATISTICS, OR
3 OTHER DATA PROCESSING OR ARTIFICIAL INTELLIGENCE TECHNIQUES.

4 (III) “AUTOMATED DECISION SYSTEM” DOES NOT INCLUDE
5 PASSIVE COMPUTING INFRASTRUCTURE.

6 (4) “SURVEILLANCE-BASED PRICE SETTING” MEANS THE USE OF
7 SURVEILLANCE DATA IN CONJUNCTION WITH AN AUTOMATED DECISION SYSTEM TO
8 OFFER OR INFORM A CUSTOMIZED PRICE FOR A GOOD OR SERVICE FOR A SPECIFIC
9 INDIVIDUAL OR GROUP OF INDIVIDUALS IN THE STATE.

10 (5) (I) “SURVEILLANCE DATA” MEANS DATA OBTAINED THROUGH
11 OBSERVATION, INFERENCE, OR SURVEILLANCE OF AN INDIVIDUAL RELATING TO
12 PERSONAL OR GENETIC INFORMATION, BEHAVIOR, OR BIOMETRICS OF THE
13 INDIVIDUAL OR A GROUP, BAND, CLASS, OR TIER TO WHICH THE INDIVIDUAL
14 BELONGS.

15 (II) “SURVEILLANCE DATA” INCLUDES DATA GATHERED,
16 PURCHASED, OR OTHERWISE ACQUIRED.

17 (B) THIS SECTION DOES NOT APPLY TO A PERSON THAT OFFERS A
18 CUSTOMIZED PRICE TO A CONSUMER OR GROUP OF CONSUMERS WHEN THE
19 DIFFERENT PRICES:

20 (1) ARE BASED ON DIFFERENCES IN COST TO PROVIDE A GOOD OR
21 SERVICE TO DIFFERENT CONSUMERS; OR

22 (2) REFLECT A DISCOUNT OR REWARD OFFERED TO ALL CONSUMERS
23 ON EQUAL TERMS IN WHICH:

24 (I) THE TERMS OF THE DISCOUNT OR REWARD ARE AVAILABLE
25 AND ACCESSIBLE TO EACH CONSUMER;

26 (II) THE DISCOUNT OR REWARD IS OFFERED UNIFORMLY TO
27 EACH CONSUMER WHO MEETS THE DISCLOSED ELIGIBILITY CRITERIA, SUCH AS
28 STATUS AS A SENIOR, STUDENT, TEACHER, VETERAN, OR MEMBER OF THE MILITARY;
29 AND

30 (III) ELIGIBILITY FOR THE DISCOUNT OR REWARD IS BASED ON
31 INFORMATION AFFIRMATIVELY AND VOLUNTARILY PROVIDED BY THE CONSUMER
32 TO THE PERSON OFFERING THE DISCOUNT OR REWARD.

(C) ANY SURVEILLANCE DATA USED TO OFFER A CUSTOMIZED PRICE IN ACCORDANCE WITH SUBSECTION (B) OF THIS SECTION MAY NOT BE USED FOR ANY OTHER PURPOSE, INCLUDING PROFILING, TARGETED ADVERTISING, OR THE SETTING OF A PRICE IN ANY OTHER MANNER NOT CONSISTENT WITH SUBSECTION (B) OF THIS SECTION.

(D) A PERSON MAY NOT ENGAGE IN SURVEILLANCE-BASED PRICE SETTING.

Article – Labor and Employment

3–103.

(a) Except as otherwise provided in this section, the Commissioner may conduct an investigation to determine whether a provision of this title has been violated on the Commissioner’s own initiative or may require a written complaint.

(e) (7) THE COMMISSIONER MAY INVESTIGATE WHETHER § 3–718 OF THIS TITLE HAS BEEN VIOLATED ON RECEIPT OF A WRITTEN COMPLAINT OF AN EMPLOYEE.

3–718.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “AUTOMATED DECISION SYSTEM” HAS THE MEANING STATED IN § 14–1330 OF THE COMMERCIAL LAW ARTICLE.

(3) “SURVEILLANCE-BASED WAGE SETTING” MEANS THE USE OF SURVEILLANCE DATA IN CONJUNCTION WITH AN AUTOMATED DECISION SYSTEM TO OFFER OR INFORM A CUSTOMIZED WAGE FOR A SPECIFIC EMPLOYEE OR GROUP OF EMPLOYEES IN THE STATE.

(4) “SURVEILLANCE DATA” HAS THE MEANING STATED IN § 14–1330 OF THE COMMERCIAL LAW ARTICLE.

(B) THIS SECTION DOES NOT APPLY TO AN EMPLOYER WHO:

(1) OFFERS A CUSTOMIZED WAGE BASED ON DATA SPECIFIC TO AN EMPLOYEE THAT IS:

(I) DIRECTLY RELATED TO THE TASK THE EMPLOYEE WAS HIRED TO PERFORM; OR

1 **(II) BASED ON THE LOCATION WHERE THE EMPLOYEE WORKS**
2 **AND THE COST OF LIVING IN THAT LOCATION; AND**

3 **(2) BEFORE HIRING AN EMPLOYEE WHOSE WAGES ARE SET IN WHOLE**
4 **OR IN PART THROUGH AN AUTOMATED DECISION SYSTEM, DISCLOSES IN PLAIN**
5 **LANGUAGE TO THE EMPLOYEE WHAT DATA IS CONSIDERED AND HOW THE**
6 **AUTOMATED DECISION SYSTEM CONSIDERS THE DATA.**

7 **(C) AN EMPLOYER MAY NOT ENGAGE IN SURVEILLANCE-BASED WAGE**
8 **SETTING.**

9 **(D) THIS SECTION DOES NOT DIMINISH THE RIGHT OF COVERED**
10 **EMPLOYEES TO COLLECTIVELY BARGAIN OVER TERMS AND CONDITIONS OF**
11 **EMPLOYMENT IN EXCESS OF THE PROTECTIONS UNDER THIS SUBTITLE.**

12 **(E) (1) WHENEVER THE COMMISSIONER DETERMINES THAT THIS**
13 **SECTION HAS BEEN VIOLATED, THE COMMISSIONER SHALL:**

14 **(I) TRY TO RESOLVE ANY ISSUE INVOLVED IN THE VIOLATION**
15 **INFORMALLY BY MEDIATION; OR**

16 **(II) ASK THE ATTORNEY GENERAL TO BRING AN ACTION ON**
17 **BEHALF OF THE APPLICANT OR EMPLOYEE.**

18 **(2) THE ATTORNEY GENERAL MAY BRING AN ACTION UNDER THIS**
19 **SUBSECTION IN THE COUNTY WHERE THE VIOLATION ALLEGEDLY OCCURRED FOR**
20 **INJUNCTIVE RELIEF, DAMAGES, OR OTHER RELIEF.**

21 **Article – State Finance and Procurement**

22 3.5–801.

23 (a) In this subtitle the following words have the meanings indicated.

24 (c) “Artificial intelligence” means a machine-based system that:

25 (1) can, for a given set of human-defined objectives, make predictions,
26 recommendations, or decisions influencing real or virtual environments;

27 (2) uses machine and human-based inputs to perceive real and virtual
28 environments and abstracts those perceptions into models through analysis in an
29 automated manner; and

30 (3) uses model inference to formulate options for information or action.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 October 1, 2026.