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Judicial Proceedings Committee

Joint Committee on Cybersecurity, Information Technology, and Biotechnology

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THE SENATE OF MARYLAND Annapolis, Maryland 21401

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March 30, 2022

Sponsor Testimony - FAVORABLE - SB11 WORKGROUP for

Maryland's Online Consumer Protection and Child Safety Act

<u>Senate Bill 11</u> is essential 21st century online privacy legislation that will enable Marylanders to better understand, protect and control how companies collect, share, sell, and use your personally identifiable information. Most importantly, the bill will protect the personal information being collected on children, our most precious and vulnerable resource. As amended in the Senate, this is now a workgroup, but importantly, the report is due during this term, so there is no need to delay the selection of members until after the elections. We can't afford to wait. Every year privacy legislation is blocked because it is complicated and the opposition has a lot of money at stake if they can't monetize your data. This workgroup will plug the Department of Legislative Services directly into the deep dive that is requested.

As background to the bill as introduced, this legislation is modeled after two existing privacy regimes that large companies already have to follow. The General Data Privacy Regulation (GDPR) and the California Consumer Protection Act (CCPA) went into force in Europe and California already, however, Maryland's consumers are left out in the cold, and to the whims of the tech giants. The original language would allow consumers to correct and delete personal information before it gets sold to third parties on the web, breached by domestic hackers, or stolen with the support of state-sponsored actors. Most importantly, it will increase child privacy protections by prohibiting the collection or sale of their data. The main focus of this bill is to give the consumers protections against unfair trade practices, and control over their data and corresponding privacy. There is a clear and present danger, and our children are prime targets.

The only provision in this bill that this committee hasn't already reviewed is the <u>global privacy</u> <u>control provision</u> expressly provided in this bill's first reader allowed third parties to be used for setting privacy preferences. This will make it easier for all to comply and has already been

utilized successfully in California, and was adopted in the <u>Colorado law</u>. While the subject matter is complex, a few months and a few meetings should make the policy choices clear enough to pass meaningful legislation to protect our consumers, and our children. Perhaps we can even help protect our democracy, and the mental health of children.

<u>Cambridge Analytica</u> was the catalyst for this legislation back in 2019, when I sponsored the first version of this legislation for Maryland, but so much has changed in the personal information landscape since that time, and since the passage of the federal standards. The internet is a beehive of activity for children and the collection of their information is unbridled by COPPA, which only extends to children under 13, despite the reality that most harmful activities children participate in likely fall within the cracks for children ages 13-15.

Cambridge Analytica focused on relatively broad info about a personality trait analysis, but you can determine that just based on their click pattern now as Gloria Mark from UC Irvine has been able to calculate up to an 80% accuracy. So all of the harm created with Brexit and the 2016 election could be done with more broadly available personal information, and much more targeted personal information is available to analyze your facial expressions to market items, or ideas. The concern is that the info is being collected without any friction from government. The Maryland State government currently treats this info as if it was completely harmless.

My oral testimony in the Senate included a clip from The Social Dilemma to highlight one harm children suffer when their data is used against themselves. This is merely one avenue for targeted ads and manipulation of data to reach children, but certainly the most important one at this point in time because the amount they interact with the platform. Human phycology is being used to maximize profits, and the failure to recognize the components that go into that manipulation are tying governments' hands behind their backs. If the algorithms companies use are business confidential, shouldn't our info be personally confidential? If not shouldn't we at least acknowledge that children can't consent to a contract and shouldn't to info that can harm them?

The Great Hack documentary highlighted the horrors of Cambridge Analytica because it demonstrated that enough data points can change behavior not only when it concerns commerce, but also political actions. The book "The Age of Surveillance Capitalism" captured the profit seeking motives of data brokers and related digital platforms around the world in stark terms that should frighten us all. Now Russia looks poised to repeat North Korea's Sony breach and our consumer data is left in the whims of private companies' control, which may not accurately value the risk associated with maintaining private information. Companies comply with the CCPA and the GDPR today, so why can't they comply with our similar laws that cover the same companies? What control do you really have over your data? What about your child?

Jeanna Matthews explained in her <u>recent nationally syndicated article</u> that social media drives people to extremes. Children are specifically vulnerable to manipulation, but the dangers spread to us all, as we have witnessed with the impacts to our health care system when false rumors are spread about vaccines and masks. The feeds are based off of your data which is regurgitated back. We in the Maryland General Assembly have a responsibility to protect our citizens, especially our children. Our privacy and especially that of our children is a vulnerable target, with plenty of predators ready to take advantage.

For these reasons, I respectfully request a favorable report on SB 11, as it was amended in the Senate to call for a workgroup to discuss this issue comprehensively with an aim towards solutions to growing consumer protection threats and concerns.