

LEGISLATIVE POSITION
Unfavorable
Senate Bill 11
Maryland Online Consumer Protection and Child Safety Act
Senate Finance Committee
Wednesday, February 26, 2022

Dear Chairwoman Kelley and Members of the Committee:

Founded in 1968, the Maryland Chamber of Commerce is the leading voice for business in Maryland. We are a statewide coalition of more than 5,500 members and federated partners working to develop and promote strong public policy that ensures sustained economic health and growth for Maryland businesses, employees, and families.

Senate Bill 11 creates numerous personal information privacy rights for consumers in the state. Specifically, the bill requires a business that collects a consumer's personal information to clearly and conspicuously notify a consumer of (1) the categories of personal information being collected; (2) the business purposes for which the information will be used; (3) the categories of third parties the business discloses information to; (4) the business purpose for the third party disclosure; and (5) the consumer's right to request a copy of the personal information collected, deletion of the personal information and to opt out of third party disclosure.

As referenced above, this bill uses "third-party disclosure" instead of "selling" and allows consumers to opt out of this. However, this definition is much broader than what "selling" means (i.e., releasing, transferring, making available, etc.) in other laws and goes beyond sharing personal information for monetary gain. This very broad definition goes beyond the California Consumer Privacy Act (CCPA)/California Privacy Rights Act (CPRA).

This legislation, as introduced, will have a significant negative impact on Maryland's business community. Although this bill does not have an explicit private right of action, the language does refer to Maryland's unfair/deceptive trade practices law, which does have private right of action.

For these reasons, the Maryland Chamber of Commerce respectfully requests an <u>Unfavorable</u> <u>Report</u> on Senate Bill 11.