



MARYLAND TECH COUNCIL

TO: The Honorable C.T. Wilson, Chair
Members, House Economic Matters Committee
The Honorable Sara Love

FROM: Andrew G. Vetter
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RE: **OPPOSE** – House Bill 33 – *Commercial Law – Consumer Protection – Biometric Data Privacy*

The Maryland Tech Council (MTC) writes in **opposition** to *House Bill 33: Commercial Law – Consumer Protection – Biometric Data Privacy*. We are a community of over 700 Maryland member companies that span the full range of the technology sector. Our vision is to propel Maryland to become the number one innovation economy for life sciences and technology in the nation. We bring our members together and build Maryland's innovation economy through advocacy, networking, and education.

First and foremost, consumer privacy is of the utmost importance to members of MTC, so we are supportive of the concept of protecting the private data of Maryland residents. That said, biometric data has become an essential tool for many industries and is used for security, authentication, and fraud prevention purposes, such as to secure access to highly sensitive buildings, to detect fraudulent callers, and to improve security on financial accounts. These technologies are good for the safety and convenience of Maryland residents. Therefore, it is important for such functions to continue and that any exceptions contained within the law are comprehensive enough to not dissuade companies from developing and using this technology.

In addition, we are concerned about the private right of action provided for in this legislation. The ability to file individual legal actions under this law risks significant and ongoing burdens and costs for technology companies. The threat of liability will prevent Maryland companies from developing or utilizing pro-consumer, pro-privacy uses of biometric data and may dissuade startups and other companies from choosing to do business in the state. Experience with an existing Illinois law upon which these provisions seem to be based bears this out.

We also believe issues of data privacy are better addressed at the federal level or with a consistent approach among states throughout the region. Many technology companies reach into numerous states, and it can be a significant practical challenge to comply with a patchwork of state policies. These inconsistencies and resulting confusion could deter innovative companies and start-ups from wanting to do business here.

MTC believes there are alternative approaches to ensuring the privacy of residents and creating transparency around data collection and use of biometric data. Most importantly, we urge Maryland to adopt an approach that is consistent with surrounding states in the region to ensure a predictable operating environment for the tech industry. We would be pleased to engage in discussions about such solutions. In summary, the potential liability result from this bill, as well as restrictive new rules that are inconsistent with surrounding states, would harm the State's economy more than it would protect consumer privacy. MTC respectfully requests an unfavorable report.