



MARYLAND TECH COUNCIL

TO: The Honorable Melony Griffith, Chair
Members, Senate Finance Committee
The Honorable Malcolm Augustine

FROM: Andrew G. Vetter
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DATE: March 8, 2023

RE: **OPPOSE UNLESS AMENDED** – Senate Bill 698 – *Consumer Protection – Online and Biometric Data Privacy*

The Maryland Tech Council (MTC) writes in **opposition unless amended** to *Senate Bill 698: Consumer Protection – Online and 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 the MTC, so we are supportive of the concept of protecting the private data of Maryland residents. Protecting a consumer's personal online data has become a topic of discussion and debate in states around the country. Senate Bill 698 is a lengthy and complicated proposal with lots of new language proposed for Maryland. The MTC's over-arching feedback, therefore, is for Maryland lawmakers to adopt a data privacy approach that is consistent with approaches in surrounding states. Many of the provisions of Senate Bill 698 appear adopted from the Connecticut Data Privacy Act. We have seen other states in the Mid-Atlantic and Northeast region adopt or discuss this approach. We encourage Maryland to adopt the Connecticut approach as well, in a manner that is as consistent as possible with the Connecticut law. Many of our member companies conduct online business across state lines. Therefore, it is extremely important to have a set of operating rules that is consistent and predictable from state to state or within a region.

We are also concerned that the bill creates a separate system of regulations for biometric data. Our reading of the bill is that consumer biometric data would be encompassed under the online data privacy section of the bill modeled after Connecticut. Setting up a distinct and parallel system for biometric data risks being duplicative and confusing. Therefore, we propose this section specific to biometric data be struck from the bill.

In addition, we are concerned about the potential for private rights of action connected to violations of the law. MTC believes that the bill should be made clear to ensure that the Attorney General bears the responsibility of enforcing the law, rather than creating the potential for any new private rights of action.

Our members are concerned that the threat of litigation for even minor violations poses significant risks and ongoing burdens and costs for technology companies.

We continue to maintain that the issue of data privacy is better addressed at the federal level or with a consistent approach among states throughout the region. As stated above, 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. At the very least, we encourage Maryland to adopt an approach that is consistent with other states in the region.

MTC respectfully requests an unfavorable report unless amended as specified.