



SB 541 - Maryland Online Data Privacy Act of 2024

Economic Matters Committee

March 28, 2024

SUPPORT

Chair Wilson Vice-Chair Crosby and members of the committee, thank you for the opportunity to submit testimony in support of Senate Bill 541. This bill will increase data rights protections for Marylanders.

The CASH Campaign of Maryland promotes economic advancement for low-to-moderate income individuals and families in Baltimore and across Maryland. CASH accomplishes its mission through operating a portfolio of direct service programs, building organizational and field capacity, and leading policy and advocacy initiatives to strengthen family economic stability. CASH and its partners across the state achieve this by providing free tax preparation services through the IRS program 'VITA', offering free financial education and coaching, and engaging in policy research and advocacy. **Almost 4,000 of CASH's tax preparation clients earn less than \$10,000 annually. More than half earn less than \$20,000.**

The ability for consumers to regulate how businesses collect and store their personal data and use their personal data is a right that all Marylanders should have. Consumer data is not only an issue of privacy but also an issue of security. Data breaches are disturbingly common incidents that impact consumers across Maryland. **In 2023, Maryland had over 500 instances of data breaches.**¹ There are already several large data brokers who collect volumes of information on consumers and sell the information for a fee.

SB 541 includes provisions on protecting an individual's private data, including biometric data. Biometric data consists of a person's unique physical characteristics like fingerprints, palmprints, voiceprints, facial, or retinal measurements. It is increasingly becoming more popular to use biometrics in law enforcement, healthcare, and commercial industries. As the use of this data becomes more popular, the risk to consumers of having their personal biometric data breached is also increased. Unfortunately, this can result in consumers becoming victims of identity fraud.

Low-income consumers are at even greater risk of harmful data breaches, as they are more likely to use older devices that aren't equipped for newer security updates.² SB 541 would establish greater data privacy protections for all Marylanders, which would be especially beneficial to low-income residents. Consumers must be very careful about who has access to their personal information. CASH supports legislation that will ensure Maryland remains a national leader in consumer protection policy.

Thus, we encourage you to return a favorable report for SB 541.

¹ <https://www.marylandattorneygeneral.gov/Pages/IdentityTheft/breachnotices.aspx>

² <https://carnegieendowment.org/2023/03/13/cyber-resilience-must-focus-on-marginalized-individuals-not-just-institutions-pub-89254#>