

Auto Consumer Alliance

13900 Laurel Lakes Avenue, Suite 100 Laurel, MD 20707

Testimony to the House Economic Matters Committee HB 1299 – Consumer Protection – Maryland Consumer Protection Act – Trade or Commerce Violations Position: Favorable

The Honorable C.T. Wilson House Economic Matters Committee 251 Lowe House Office Building Annapolis, MD 21401 cc: Members, House Economic Matters Committee March 5, 2024

Honorable Chair Wilson and Members of the Committee:

I'm a consumer advocate and Executive Director of Consumer Auto, a nonprofit group that works to protect Maryland consumers and secure safety, transparency, and fair treatment for Maryland drivers and car buyers.

We support **HB 1299** because it extends the reach of Maryland's landmark Consumer Protection Act in ways that will add new protections for consumers in some circumstances and help protect Maryland small businesses, contractors, home sellers and others against fraud or deceptive commercial practices as well.

Particularly important here, I think is adding the language that includes in "sales" covered by the act transactions in which a consumer receives benefits "in exchange for a consumer being subjected to advertising or the collection of information." This change would extend protections against "unfair abusive or deceptive trade practices" to websites and apps and social media firms that harvest extensive data from consumers even if they may not directly sell us any products.

Including "trade or commerce," defined as "any economic activity within the state that involves or relates to a commodity or service," under the jurisdiction of the law – as the bill would also do -- would also help protect home sellers, builders and contractors (who have to buy all kinds of commodities to do their work but may not be "consumers" under the current meaning of the law) against fraud and abuse.

Maryland's Consumer Protection Act is a powerful tool to fight fraud and deceptive marketing. **HB 1299** will enable it to do even more to protect Marylanders.

We support HB 1299 and ask you to give it a FAVORABLE report.

Sincerely,

Franz Schneiderman Consumer Auto