

## Mary Pat Fannon, Executive Director

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BILL: SB 571

TITLE: Consumer Protection – Online Products and Services – Data of Children

(Maryland Kids Code)

DATE: February 14, 2024

POSITION: Favorable

COMMITTEE: Senate Finance Committee

CONTACT: Mary Pat Fannon, Executive Director, PSSAM

The Public School Superintendents' Association of Maryland (PSSAM), on behalf of all twenty-four public school superintendents, **supports** Senate Bill 571.

This bill requires a "covered entity" that provides an online product reasonably likely to be accessed by children to complete a "data protection impact assessment" of the online product. The bill establishes numerous rules, procedures, and prohibitions related to the assessments. A covered entity that violates the bill's requirements is subject to a civil penalty of up to (1) \$2,500 per affected child for each negligent violation and (2) \$7,500 per affected child for each intentional violation. A data protection impact assessment is protected as confidential and must be exempt from public disclosure, including under the Maryland Public Information Act. Violation of the bill is an unfair, abusive, or deceptive trade practice under the Maryland Consumer Protection Act (MCPA), and subject to MCPA's civil and criminal penalty provisions. However, a violator is not subject to specified MCPA penalty provisions related to merchants.

With the ubiquitous usage of smartphones and social media by young people, the unregulated social media platforms are increasingly causing mental health concerns among teenagers and their families. Along with the behavioral health concerns that can stem from inappropriate online content, the invasive collection of data, and the purposeful and addictive advertising and communications strategies employed by these social media companies deserve a public health response and regulation from the government at the federal, state, or local level.

This legislation would put Maryland in the good company of California and the UK where regulations and laws are in place to prioritize children's privacy through age appropriate design codes.

For these reasons, PSSAM supports Senate Bill 571 and urges a favorable report.