



**Senate Finance Committee
February 14, 2024**

**Senate Bill 541
Maryland Online Data Privacy Act of 2024
Support**

NCADD-Maryland supports Senate Bill 541 which provides privacy protections for consumer information collected online. The bill generally prohibits the disclosure of consumer information collected by online vendors, unless the disclosure is essential to provide the service offered by the vendor.

There has been a proliferation of online platforms, including downloadable apps, that collect personal information, including sensitive health information. Many of these platforms are not subject to Health Insurance Portability and Accountability Act (HIPAA), as it only protects the electronic health records of health care providers and related business entities, such as health insurers. While these companies establish their own privacy policies, they can be challenging for consumers to navigate and realize a full understand their implications.

There has been an increase in the popularity and use of health and wellbeing apps. There are dozens of apps related to supporting mental health and alcohol and drug use concerns. Unlike prescribed digital therapeutics which we have discussed in this committee in previous years, these apps are not subject to HIPAA, leaving consumers' data at the mercy of the privacy policies set by the vendors. While there has been some attention paid to this issue by the Federal Trade Commission, an individual state has no authority to protect its own residents unless the state adopts specific statutory protections.

NCADD-Maryland supports this legislation because it would allow Maryland to protect the privacy of consumer information. Online vendors would be restricted, except in limited circumstances, from sharing or redisclosing sensitive consumer data without the express consent of the consumer. The legislation also provides additional protection for consumers seeking behavioral health services by prohibiting the use of geofencing data to track those consumers.

We urge a favorable report on Senate Bill 541.