



House Economic Matters Committee

March 4, 2025

House Bill 1365 – *Commercial Law – Online Data Privacy – Limits on Data Collection*

POSITION: SUPPORT

The Maryland Tech Council (MTC), with over 800 members, is the State's largest association of technology companies. Our vision is to propel Maryland to be the country's number one innovation economy for life sciences and technology. MTC brings the State's life sciences and technology communities into a united organization that empowers members to achieve their goals through advocacy, networking, and education. On behalf of MTC, we submit this letter of support for House Bill 1365.

The Maryland General Assembly passed the Maryland Online Data Privacy Act (MODPA) during the 2024 Session last year. The MTC and our members were engaged in the discussions on that bill throughout Session and believe that the final product represents an important step forward in protecting the personal data of Maryland residents. For the most part, MODPA is in line with other online data privacy laws passed in states like Connecticut, California, and in Europe.

However, the MODPA section that is the subject of this bill makes Maryland an outlier compared to other online data privacy laws. MTC raised this issue last year and appreciates the opportunity to address it again. Adopting the “adequate, relevant, and reasonably necessary” standard proposed by this legislation mirrors the standard in Connecticut, California, and Europe's General Data Protection Regulation. This standard works to prevent companies doing business online from collecting excessive and irrelevant information about consumers.

MODPA adopts a different “strictly necessary” standard to provide a “specific product or service” requested by the consumer. We are concerned that adopting a more stringent standard compared to other states disadvantages small Maryland tech companies, who will be innovating in a more restrictive online environment than companies in other states. Furthermore, smaller Maryland-based companies are disadvantaged by having different rules for Maryland-based customers and their customers based in other states. We support reasonable consumer protections, but believe we should strive for consistency with other states when it is reasonable.

MTC is also concerned that if Maryland keeps the current standard, Maryland consumers' internet experiences will differ from those in other states. This may impact accessibility, user experience, and personalization, which many consumers like and rely upon. We believe the standard proposed by this bill strikes the proper balance between strong privacy protections and maintaining personalized and functional online experiences.

For these reasons, we request a favorable report.

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