

February 26, 2025

The Honorable C. T. Wilson, Chair
The Honorable Brian M. Crosby, Vice Chair
Economic Matters Committee
230-31 Taylor House Office Building
Annapolis, Maryland 21401

RE: HB 1365 - Online Data Privacy - Limits on Data Collection

Dear Chair Smith, Vice Chair Waldstreicher, and Members of the Committee:

The State Privacy & Security Coalition (SPSC), a coalition representing over 30 companies and six trade associations across sectors including retail, telecommunications, technology, automotive, healthcare, and payment cards, appreciates the opportunity to provide feedback on Maryland House Bill 1365 - *Online Data Privacy, Limits on Data Collection*.

We firmly believe the proposed amendment to the Maryland Online Data Privacy Act's (MODPA) data minimization standard represents a critical first step in bringing Maryland in alignment with the widely accepted privacy framework established by Europe's General Data Protection Regulation (GDPR), California Consumer Protection Act, and the Connecticut framework—collectively covering over 610 million consumers. The amendment protects consumers by ensuring businesses collect only data that is “**adequate, relevant, and reasonably necessary**” for the specific purposes disclosed to them. Companies, therefore, are prevented from hoarding excessive consumer information, reducing privacy risks and the potential for data misuse.

By contrast, MODPA's current, untested approach to data minimization creates uncertainty and confusion, the burden for which will rest on businesses to define what data is “**reasonably necessary and proportionate to provide or maintain a specific product or service requested by the consumer to whom the data pertains**.” This standard could inadvertently limit accessibility and user experience by restricting companies from personalizing services, implementing adaptive features, and improving product functionality. Tools that enhance accessibility—such as voice recognition, screen readers, and adaptive interfaces for individuals with disabilities—often rely on collected data to function effectively. If companies must prove that such data is “**reasonably necessary and proportionate**” to provide the product or service rather than “**adequate, relevant, and reasonably necessary**”, many may disable or scale back accessibility features to avoid compliance risks. The result would be fewer essential digital tools available to vulnerable populations which ultimately undermines inclusivity.

Additionally, the “reasonably necessary and proportionate” standard could reduce consumer choice and diminish service quality, as businesses modify operations to comply with Maryland's novel necessity threshold. Many free or low-cost services rely on transparent, opt-in data processing to sustain their business models while respecting consumer privacy. Restricting even limited, relevant data collection may lead to discontinued services or reduced functionality. Maryland consumers could lose access to personalized experiences, loyalty programs, security enhancements, and other features that improve digital interactions while maintaining strong privacy protections.

To balance privacy, security, accessibility, and service quality, Maryland should adopt the widely accepted “adequate, relevant, and reasonably necessary” standard. This approach ensures consumers retain meaningful privacy rights while continuing to benefit from safer, more accessible, and higher-quality digital services. A well-established necessity threshold also strengthens the foundation for regulatory enforcement, benefiting both consumers and businesses.

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We would be happy to answer any questions and look forward to continued conversations.

Respectfully submitted,



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