

# **Pruski\_Testimony HB208 FAV Senate.pdf**

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Position: FAV



THE MARYLAND HOUSE OF DELEGATES  
ANNAPOLIS, MARYLAND 21401

**Testimony in Support of HB208**  
Testimony by Delegate Andrew Pruski  
March 19, 2025 – Senate Finance Committee

**What the Bill Does:**

HB208 prohibits a person from advertising or offering the sale of a digital good without disclosing in certain terminology or alongside an option for a time-limited rental unless certain acknowledgments are received from the purchaser and certain statements are provided by the seller. This bill also establishes that a person is guilty of a misdemeanor and subject to certain penalties for a violation of this Act and generally relating to the advertising and offering of digital goods for sale.

**Why the Bill is Important:**

In numerous instances consumers are led to believe that when they purchase a digital good, such as video games, eBooks, and music, they now own the good the same way they would own a hardcopy, which is not the case. The individual who purchased the digital good can lose access if the seller loses their license for the item, thus taking it away from the purchaser. This bill would require the seller of the digital good to disclose that the consumer is purchasing a license to use the digital good, not ownership of the digital good under the Consumer Protection Act. HB208 is based on a California Law passed in 2024 due to Ubisoft and Sony removing digital content that consumers had purchased.

**On behalf of Maryland's consumers, I urge a favorable report on HB208.**

## **MPA-Favorable with Amendments to MD HB 208 Senate.**

Uploaded by: NICK MANIS

Position: FWA



# MOTION PICTURE ASSOCIATION

March 17, 2024

Chair Beidle, Vice Chair Hayes and Members of the Senate Finance Committee  
3 East Miller Senate Office Building  
6 Bladen Street  
Annapolis, Maryland 21401

RE: Maryland House Bill 208, Consumer Protection – False Advertising – Digital Goods  
– Favorable with Amendments

On behalf of the Motion Picture Association<sup>1</sup> (MPA) and our member companies, I am writing to convey our concerns with Maryland House Bill 208, which addresses consumer protection, false advertising, and digital goods.

HB 208 is substantively similar to AB 2426, a recently enacted law in California. However, to align MD HB 208 with CA AB 2426, we respectfully request a critical revision to the bill's language, replacing the word "person" with "seller." This change is necessary for legal and practical clarity. The term person is broad and may unintentionally include individuals or entities not responsible for selling goods or services. Replacing it with "seller" ensures the bill applies specifically to those engaged in transactions rather than consumers or other unrelated parties. Further, this change prevents unintended liability and will make the law more effective, easier to interpret, and precisely define the responsible party, preventing potential legal ambiguity.

The MPA welcomes the opportunity to answer any questions you may have and discuss our position.

Sincerely,

*Kathy Bañuelos*

Kathy Bañuelos,  
Senior Vice President  
State Government Affairs

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<sup>1</sup>The MPA serves as the global voice and advocate of the motion picture, television, and streaming industries. It works in every corner of the globe to advance the creative industry, protect its members' content across all screens, defend storytellers' creative and artistic freedoms, and support innovative distribution models that expand viewing choices for audiences worldwide. The MPA's member studios are Netflix Studios, LLC; Paramount Pictures Corporation; Sony Pictures Entertainment Inc.; Universal City Studios LLC; Walt Disney Studios Motion Pictures; Warner Bros. Entertainment Inc.; and Amazon Studios LLC.

## **HB 208 - Digital Goods- CPD - Support with Amendme**

Uploaded by: Steven M. Sakamoto-Wengel

Position: FWA

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*Chief Deputy Attorney General*

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*Deputy Attorney General*

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**STATE OF MARYLAND  
OFFICE OF THE ATTORNEY GENERAL  
CONSUMER PROTECTION DIVISION**

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*Chief Operating Officer*

**STEVEN M. SAKAMOTO-WENGEL**  
*Consumer Protection Counsel for  
Regulation, Legislation and Policy*

March 19, 2025

TO: The Honorable Pamela Beidle, Chair  
Finance Committee

FROM: Steven M. Sakamoto-Wengel  
Consumer Protection Counsel for Regulation, Legislation and Policy

RE: House Bill 208 – Consumer Protection – False Advertising – Digital  
Goods – SUPPORT WITH AMENDMENTS

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The Consumer Protection Division of the Office of the Attorney General submits the following written testimony in support of House Bill 208, sponsored by Delegate Pruski, which would prohibit advertising of digital goods, such as online games, movies, books and music, unless the seller discloses that the consumer is only purchasing a license to use the digital goods rather than an ownership interest. Many consumers who pay for digital goods believe that they are buying the game, movie, book, or music when in fact they are only paying for the right to use it, a right that may be terminated. House Bill 208 would require disclosure that the consumer is made aware of the nature of their purchase before they pay. However, the Division is concerned that an amendment added in the House would make the disclosure meaningless and encourages restoring the original language of the bill.

House Bill 208 is based on a California law that resulted from efforts by Sony and Ubisoft to remove digital content that consumers had paid for. The Division believes that the fact that a consumer is purchasing a license rather than an ownership interest is a material fact that is required to be disclosed under the Consumer Protection Act. HB 208 would have required express disclosure language and an affirmative acknowledgment from the consumer and would have helped to ensure that consumers are aware of the limitations of their purchases. However, by changing the “and” to “or” on page 4 in line 25, the bill would now allow the seller of the digital good to merely point the consumer to a verbose license agreement that the average consumer would neither be likely to read or understand. The Division believes that the language should be changed back to “and” so that consumers actually receive a meaningful disclosure.

Additionally, House Bill 208 provides that a violation is a misdemeanor, which is unlikely to be prosecuted in the event of a violation. The Division believes, however, that it would make more sense to make a violation an unfair, abusive or deceptive practice under the Consumer Protection Act. Accordingly, the Division recommends replacing subsection (F) on page 6, lines 14 through 16, with:

(G) A VIOLATION OF THIS SECTION IS:

(1) AN UNFAIR, ABUSIVE, OR DECEPTIVE TRADE PRACTICE WITHIN THE MEANING OF TITLE 13 OF THIS ARTICLE; AND

(2) SUBJECT TO THE ENFORCEMENT AND PENALTY PROVISIONS CONTAINED IN TITLE 13 OF THIS ARTICLE.

Since, with the amendments discussed above, House Bill 208 would help to ensure that consumers of digital goods are made aware of important information regarding their purchases, the Consumer Protection Division requests that the Finance Committee give HB 208 a favorable report with the suggested amendments.

cc: The Honorable Andrew Pruski  
Members, Finance Committee