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THE MARYLAND HOUSE OF DELEGATES
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HB 1220 – Business Regulation – Data Broker Registry

March 3, 2026 – House Economic Matters Committee

Chair Valderrama, Vice Chair Charkoudian, and colleagues,

Thank you for your consideration of House Bill 1220 that will establish a self-funded Data Broker Registry in the Comptroller’s Office, requiring data brokers operating in Maryland to register annually and increasing transparency around the collection, sale, and licensing of residents’ data.

What the bill does:

1. Creates a Data Broker Registry

- a. Mandates annual registration with the Comptroller for all data brokers operating in Maryland.
- b. Requires the Comptroller to make registry data of data collection and sales practices available to the public.
- c. Establishes penalties for non-compliance, ensuring transparency and accountability.

Last year, a version of this bill was heard in the House Economic Matters Committee and it included both a data broker registry and a tax to fund enforcement within the Attorney General’s Office. After thoughtful consideration, we decided to take a more measured, phased approach. This year, the bill focuses on the logical first step: identifying and registering data brokers operating in Maryland. You cannot effectively regulate what you cannot see, and establishing transparency is foundational to any enforcement framework.

In a future phase, if we determine that dedicated enforcement funding is necessary, the General Assembly could consider incorporating that support through an adjusted registration fee or a separate funding mechanism, including a potential tax.

HB 1220 addresses the growing role of data brokers by introducing much-needed regulation and transparency. Data brokers, companies that collect, analyze, and sell personal data, have built a lucrative industry, generating millions, if not billions, in revenue by buying and selling

individual information. A recent example highlights the danger of this unregulated industry: in 2023, the Federal Trade Commission (FTC) sued data broker Kochava Inc. for selling highly sensitive geolocation data from millions of mobile devices.¹ This data enabled third parties to track individuals to locations such as:

- 1) Reproductive health clinics
- 2) Places of worship
- 3) Homeless and domestic violence shelters, and
- 4) Addiction recovery centers

This case exposed the harsh reality that data brokers are no longer collecting just names and addresses; they are harvesting and monetizing every available piece of data, often without the consumer's knowledge. While the FTC took action against Kochava, the case did not prevent other data brokers from engaging in similar exploitative practices. Building off the tremendous work of this committee to pass groundbreaking data privacy legislation last year, we must continue to act to hold these companies accountable.

This Committee has already taken powerful action to protect Marylanders' sensitive data, particularly the 2024 passage of the Online Data Privacy Act, which established critical guardrails for how corporations may collect and use personal data. HB 1220 builds upon this strong foundation by easing implementation of both existing and future regulations. Maryland currently lacks a clear system to identify which entities are brokering and profiting from residents' data, which limits accountability and creates an obstacle in the State's ability to levy taxes or fees.

Further, the ODPa covers direct consumer data collection, but not downstream uses of that data. HB 1220 addresses this gap through the creation of a self-funded Data Broker Registry. Under this bill, brokers would be required to register annually with the Comptroller, and to disclose whether they collect especially sensitive information such as health or precise location data. Brokers would also be required to report whether consumers have the option to opt out of some or all data collection, and the process for doing so if one exists. The registration expense would be covered by registration fees assessed by the Comptroller, ensuring that the program does not unduly burden taxpayers or the State budget.

Currently, there is no federal law regulating data brokers, but states like Vermont, California, Oregon, and Texas have already started to act. Like HB 1220, these bills all define 'personal information' and 'data brokering' and require that brokers register annually with the state, disclose the types of data they collect, and pay a fee.

HB 1220 is an opportunity to build on previous legislation and do the right thing for Marylanders, ensuring Marylanders receive the transparency, accountability, and privacy they deserve. As technology continues to evolve, and as artificial intelligence increasingly relies on vast amounts of personal data, the risks to consumer privacy will only grow. Without action,

¹ Stephanie T. Nguyen, "FTC V Kochava, Inc.," Federal Trade Commission, July 15, 2024, <https://www.ftc.gov/legal-library/browse/cases-proceedings/ftc-v-kochava-inc>.

Marylanders could face greater exploitation and security risks. HB 1220 provides a necessary and reasonable step to protect consumers, create transparency, and generate funding for critical state programs.

For these reasons, I am requesting a favorable report on HB 1220.