

**HB 148**  
**Consumer Protection and Labor and Employment - Surveillance-Based Price and Wage Setting - Prohibition**

Economic Matters Committee

February 10, 2026

**Position: OPPOSED**

*MHLA is the sole statewide organization dedicated to advocacy on behalf of Maryland's lodging industry. With 765 hotels supporting more than 115,000 jobs statewide, generating \$7.2 billion in wages and salaries, contributing \$2.4 billion in state and local tax revenue, and driving \$10.6 billion in guest spending that strengthens communities across Maryland – our industry is a powerful economic engine.*

MHLA believes consumers and employees should be protected from unfair and discriminatory practices. However, HB 148, as currently drafted, goes far beyond that shared goal. While the bill is intended to address narrow and objectionable practices, its language sweeps in a wide range of lawful, consumer-valued pricing practices. Our comments focus primarily on the bill's potential harm to discounts and loyalty programs, particularly where it would prevent businesses from offering various types of consumer-friendly benefits.

The bill's expansive and ambiguous definitions of "automated decision system" and "surveillance data" are broad enough to capture routine business tools. Even with the bill's limited exemptions, businesses will struggle to distinguish prohibited conduct from ordinary pricing operations, creating significant compliance and enforcement uncertainty.

As a specific example, the bill fails to draw a clear, administrable line between harmful conduct and lawful, consumer-valued pricing practices such as promotional discounts, membership rewards, and loyalty program offers. The approach currently drafted risks discouraging existing practices and future innovations which lower prices and expand choices that are clearly beneficial to consumers.

Loyalty and rewards programs are among the most effective—and creatively deployed—tools that businesses use to deliver value to consumers, promote competition, and benefit frequent and price-sensitive customers. **While HB 148 attempts to exempt certain discounts and rewards, the conditions imposed on such offers are overly restrictive, unclear, and operationally difficult.**

Maryland has robust consumer protection, privacy, and anti-discrimination laws that allow regulators to target unfair, deceptive, or abusive practices directly. In addition, the Maryland Online Data Privacy Act (MODPA), effective in 2025, establishes a comprehensive framework governing the collection and use of personal data. HB 148 does not clearly identify a gap in existing law that justifies a sweeping new prohibition focused on technology rather than conduct. **By regulating tools instead of outcomes,**

**the bill risks treating transparent, beneficial practices the same as the abusive practices it seeks to prevent.**

**While MHLA supports efforts to protect consumers from unfair price increase practices and protect employees from unfair wage setting, HB 148 casts too wide a net.** We respectfully urge the Committee to pursue a more targeted approach that preserves legitimate discounts and benefits, aligns enforcement with demonstrable consumer harm, and protects affordability, competition, and innovation.

For these reasons, MHLA respectfully requests an **unfavorable report** on **HB 148**.

**For more information, please contact:**

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