

February 27, 2026

The Honorable Kris Valderrama  
Chair  
House Economic Matters Committee  
Maryland House of Delegates  
231 Taylor House Office Building  
6 Bladen Street  
Annapolis, MD 21401

*RE: HB 1475 (Speaker) - Consumer Protection - Dynamic Pricing Disclosure and Prohibition on Rent-Setting*

Dear Chair Valderrama and Members of the Committee,

On behalf of TechNet, I'm writing to share comments on HB 1475.

TechNet is the national, bipartisan network of technology CEOs and senior executives that promotes the growth of the innovation economy by advocating a targeted policy agenda at the federal and 50-state level. TechNet's diverse membership includes 103 dynamic American businesses ranging from startups to the most iconic companies on the planet and represents five million employees and countless customers in the fields of information technology, artificial intelligence, e-commerce, the sharing and gig economies, advanced energy, transportation, cybersecurity, venture capital, and finance.

TechNet recognizes that automated decision systems raise complex and evolving policy questions, and our member companies are committed to providing a positive customer experience that is transparent. We do not condone any targeting of consumers based on factors such as religion, race, sexuality, or political affiliation. States across the country have been carefully studying how to balance innovation with consumer protection. The difficulty of getting this right has been demonstrated in other states, where similar proposals were ultimately withdrawn or rejected on a bipartisan basis after months of deliberation.

Our members support fair pricing practices, and we believe that HB 1475 is overly broad and prescriptive. The bill applies to all merchants, even those out of state companies, selling products to Maryland customers, requiring an alarming warning for a broad category of pricing communications, including discounts. The prescriptive disclosure requirements will drive up compliance costs for businesses, which will ultimately lead to higher consumer prices and reduced innovation.

Furthermore, the bill as written undermines customer trust. Many consumers do not fully understand pricing algorithms and may not realize how they can drive better price and selection options. Consumers seeing the disclosure prescribed in this bill may not realize that they are simply receiving a personalized discount and falsely conclude a seller has engaged in a nefarious use of sensitive personal information.

In fact, data-driven pricing enables lower average prices and better inventory management. Our members have invested billions in pricing technology, inventory management, and customer experience systems that rely on data-driven pricing optimization, and have used the technology responsibly for years to improve the consumer experience, lower prices for customers, and enhance competition.

Regarding disclosures, companies need flexibility in where and how disclosures are presented in order to accommodate different product flows, screen sizes, and user experiences. Prescriptive requirements will be operationally difficult to implement across platforms and could require substantial redesign of existing displays for businesses of all sizes. It also risks contributing to disclosure fatigue by crowding the user experience with duplicative information, ultimately undermining clarity and effectiveness.

We recommend that businesses be permitted to retain flexibility in how this information is communicated so it can be presented in clear, accurate, and consumer-friendly terms. The current required disclosure is overly rigid and lacks meaningful context. Its phrasing is likely to generate confusion or unnecessary alarm, rather than enhance consumer understanding. A one-size-fits-all statement does not account for differences in business models, pricing methodologies, or user interfaces, and prescriptive language of this kind risks degrading the consumer experience with technical terminology that may be misunderstood. Businesses should retain discretion to communicate accurate information about pricing practices in a manner that is clear, contextualized, and tailored to their services.

Furthermore, HB 1475 creates a novel definition of "Personal Data", which conflicts with existing Maryland privacy laws, creating compliance uncertainty. Additionally, the bill's current language is silent on violations and enforcement, but by placing the title within the Maryland Consumer Protection Act, the legislation would create a private right of action (PRA). In our view, PRAs lead to frivolous lawsuits and only benefit a subset of industry operating in the litigation space.

We believe that the bill could be improved in three areas: definitions, harmonization with existing Maryland laws, and enforcement. Our suggested changes are below this letter. For the reasons stated above, TechNet is respectfully opposed to HB 1475 in its current form. Please don't hesitate to reach out with any questions.

Sincerely,



Margaret Durkin

TechNet Executive Director, Pennsylvania & the Mid-Atlantic

## Definitions

**Change Request:** Page 2, after line 24 under (A) insert definition:

**(3) "Baseline price" means, with respect to a good or service, the then-current price generally made available to consumers in a given region by the merchant, excluding loyalty or club member pricing, promotional offers, limited time sales, discounts, or additional fees for premium or additional features.**

**Rationale:** Establishes a clear reference point for determining when an individualized price increase occurs.

### **Change Request:**

**Page 2, starting at line 25, adjust as follows:**

(3) "Clear and Conspicuous disclosure" means disclosure:  
(I) In the same medium as, and provided **prior to the consumer's completion of the purchase on, at, or near and contemporaneous with each communication of a price** for which notice is required; and  
(II) Using lettering and wording **via reasonable and accessible means** that is easily visible and understandable to a consumer.

**Rationale:** Ensures that the required disclosure is consumer-friendly, while also providing flexibility for businesses that transact with customers in different mediums (in-person, online, in-app, a future technology that does not yet exist, etc).

**Change Request:** Page 3, lines 5-8

### **Delete:**

(6) (I) "Personal data" means any data that identifies or could reasonably be linked, directly or indirectly, with a specific consumer or device.  
(II) "Personal data" does not include location data.

### **Insert:**

(6) "Consent" has the meaning stated in § 14.4701 of the commercial law article.  
(7) "Personal data" has the meaning stated in § 14.4701 of the commercial law article.

**Rationale:** Harmonizes with existing Maryland law by aligning definitions of "personal data" and "consent" with Maryland Online Data Privacy Act.

**Change Request:** Page 3, lines 3-4, and page 3, lines 9-10

### **Delete:**

(5) "Dynamic pricing" means pricing that fluctuates dependent on conditions.

(7) "Personalized algorithmic pricing" means dynamic pricing set by an algorithm that uses personal data.

**Insert:**

(7) (I) "Personalized algorithmic pricing" means offering or setting a personalized price increase above the baseline price for a good or service for a specific consumer based on the consumer's personal data, regardless of whether the merchant collected or purchased the personal data.

(II) "Personalized algorithmic pricing" does not mean:

- (1) a price increase based on objective costs associated with providing the good or service to different consumers, such as a consumer's physical location or zip code, which can cause shipping or tax cost variations.
- (2) a price increase based on costs or differences in supply or demand associated with providing or selling a good or service in different locations or geographies;
- (3) a price increase based on costs associated with the availability or supply of the good or service;
- (4) a price higher than a price based on publicly disclosed eligibility criteria, including enrolling voluntarily on a mailing list, registering for promotional communications, or participating in a promotional event;
- (5) a price higher than a price offered to members of a broadly defined group such as teachers, active or retired military, senior citizens, students, or residents of a certain area based on publicly disclosed eligibility criteria;
- (6) a price higher than a price offered through promotional pricing offers, loyalty program benefits, discounts, membership, or rewards program in which consumers may voluntarily participate, enroll, or purchase, or a discounted price offered to consumers based on a subscription-based contract or agreement;
- (7) a price higher than a price offered to a consumer who consents to provide personal data for the purpose of obtaining a discounted price;  
or
- (8) a price increase based on a promotional offer, discount or time-limited sale.

**Rationale:** These changes tighten the definition of "Personalized Algorithmic Pricing" by focusing on individualized price increases that are based on customer personal data. These changes addresses any consumer concerns, while protecting legitimate data use cases, such as personalized promotions, discounts, and loyalty programs. Finally, this language adds exemptions for common pricing deviations such as regionalized pricing or differences in shipping costs.

**Change Request:** Page 3, line 19-22

**Delete:**

(3) A lower price that is offered to a consumer who has an existing

subscription-based contract or agreement for a consumer good or service with a merchant than the price offered to a consumer without the subscription-based contract or agreement.

**Rationale:** No longer necessary once definitions above are changed.

### **Prohibitions**

#### **Change Request:**

##### **Pg 3, lines 23-31, adjust as follows:**

(C) A merchant may not ~~set~~ **increase** the price of **a** specific consumer goods or services **for a specific consumer** using personalized algorithmic pricing and directly or indirectly advertise, promote, label or publish a communication of the personalized algorithmic pricing for the consumer good or service to a consumer in the state, unless the merchant includes ~~with the communication~~ **a clear and** conspicuous disclosure **informing the consumer that the price was set by an algorithm which used the consumer's personal data. with the following statement: "THIS PRICE WAS SET BY AN ALGORITHM USING YOUR PERSONAL DATA."**

**Rationale:** This aligns disclosure requirements with proposed definition changes, applying only to price increases, and provides businesses with flexibility in exact wording of the clear and conspicuous disclosure.

### **Violations and Enforcement**

#### **Change Request:**

##### **Insert:**

13-41X

(A) Required Notice — Before initiating any action under 13-321 the Division shall issue a written notice of violation to the merchant.

(B) Opportunity to Cure — A Merchant that receives a notice of violation under this section shall have 60 days after receipt of the notice to cure the violation.

(C) Enforcement After Failure to Cure. — The Division may initiate an enforcement action under [insert correct section reference] only if the merchant fails to cure the violation within the 60-day period provided under subsection (b) of this section.

(D) Effect of Cure. — If the merchant cures the violation within the 60-day period and provides the Division with a written statement that the violation has been cured and that no further violations will occur, the Division may not bring an enforcement action for the cured violation.

(E) A violation of this section is:

- (1) An unfair, abusive, or deceptive trade practice within the meaning of Title 13 of this article;
- (2) Subject to exclusive enforcement by the attorney general and penalty provisions contained in Title 13 of this article except for §13-408 and §13-411 of this article; and
- (3) Nothing in this chapter shall be construed as providing the basis for, or be subject to, a private right of action for violations of this chapter or under any other law.

**Rationale:** This provides for a cure period and clarifies AG-only enforcement and no private right of action (PRA) under this or any other law.