



SB 504 - Data Privacy - Consumer Data, Public Records, and Message Switching System (Data Privacy Act)

Senate Finance Committee

February 26, 2026

SUPPORT

Chair Beidle, Vice-Chair, and members of the committee, thank you for the opportunity to submit testimony in support of Senate Bill 504. This bill strengthens Maryland's data privacy laws by expanding protections for personal and sensitive data, limiting the use of data for immigration enforcement purposes, and increasing safeguards around public records and law enforcement databases.

The CASH Campaign of Maryland promotes economic advancement for low-to-moderate income individuals and families in Baltimore and across Maryland. CASH accomplishes its mission through operating a portfolio of direct service programs, building organizational and field capacity, and leading policy and advocacy initiatives to strengthen family economic stability. CASH and its partners across the state achieve this by providing free tax preparation services through the IRS program 'VITA', offering free financial education and coaching, and engaging in policy research and advocacy. **Almost 4,000 of CASH's tax preparation clients earn less than \$10,000 annually. More than half earn less than \$20,000.**

CASH strongly supported the Maryland Online Data Privacy Act of 2024 (HB 567) because it increased consumer data rights protections and strengthened Maryland's role as a national leader in privacy policy. That legislation recognized that data privacy is about financial security, consumer protection, and preventing harm from misuse of sensitive information. SB 504 builds on that foundation by closing critical loopholes that continue to put Marylanders at risk.

Loopholes still allow sensitive information collected by state agencies to be accessed through third-party data brokers and law enforcement data-sharing networks. SB 504 ensures that state agencies are not pipelines for immigration enforcement and strengthens protections around driver data, public records requests, geolocation data, and message switching systems.

Many of our clients are ITIN holders which are individuals who file and pay taxes using an Individual Taxpayer Identification Number. These Marylanders contribute to our economy, pay state and local taxes, and seek driver's licenses or interact with state agencies to comply with the law and support their families. We see what happens to clients when they fear that their personal information like driver data, tax records, or other state-collected data, could be shared or accessed for immigration enforcement purposes. These consequences include:

- Families avoiding applying for driver's licenses, even when legally eligible,
- Workers hesitating to file taxes, claim credits, or access financial services, and
- Parents avoiding interacting with state agencies out of fear that routine information sharing could place their household at risk.

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This fear undermines financial stability, economic mobility, and our ability to serve the community. We work to connect families to tax credits like the EITC and CTC, to safe and affordable banking options, and other services across the state. These efforts depend on trust. When data privacy protections are weak and unclear, it erodes the trust that our clients have for the system. SB 504 restores and strengthens that trust.

Maryland has already demonstrated leadership in consumer protection. SB 504 continues that work by ensuring that privacy protections are meaningful in practice. State agencies should serve as a shield that protects Marylanders' information and not act as a conduit through which it can be misused.

Thus, we encourage you to return a favorable report for SB 504.

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