

**SB 889 - Consumer Protection and Labor and Employment - Electronic Shelving Labels and Surveillance-Based Price and Wage Setting - Prohibitions**  
Senate Finance Committee  
March 12, 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, SB 889, 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 common consumer-friendly benefits.

SB 889 treats the use of consumer or device data as sufficient to presume wrongdoing in routine pricing practices, irrespective of whether the pricing outcome is beneficial to consumers. In doing so, the bill risks treating some of the most effective tools businesses use to lower prices as problematic conduct. In modern retail and service markets, discounts are offered intentionally to attract price-sensitive consumers, reward loyalty, and compete for repeat business. By making the use of basic customer information a potential liability, the bill would discourage competitive pricing strategies that routinely deliver savings to consumers.

The bill’s expansive definitions are broad enough to capture routine business tools used across many industries, and even with the bill’s limited exemptions, businesses will struggle to distinguish prohibited conduct from ordinary pricing operations. Loyalty discounts, targeted promotions, and rewards programs exist precisely because they create downward pressure on prices and expand consumer choice. While SB 889 attempts to exempt certain discounts, that language is too narrow and fails to reflect how modern loyalty and rewards programs operate, creating substantial compliance and enforcement uncertainty.

Maryland already 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), which took effect in 2025, establishes a comprehensive framework governing the collection and use of personal data. SB 889 does not point to a specific deficiency in current law that necessitates a broad new prohibition. Instead of targeting clearly defined harmful conduct, the bill focuses on restricting categories of technology, which risks suppressing beneficial practices without articulating the problem it is meant to solve.

The likely result is not stronger consumer protection, but fewer discounts, weaker competition, and higher baseline prices. Loyalty programs and targeted offers are among the most accessible ways consumers realize meaningful savings.

While MHLA supports efforts to protect consumers from unfair pricing practices and employees from unfair wage setting, SB 889 casts too wide a net. We respectfully urge the Committee to adopt a more precise framework—one that protects consumers from real harm while preserving lawful discounts, promoting competition, and maintaining affordability and innovation.

For these reasons, MHLA respectfully requests an **unfavorable report** on **SB 889**.

**For more information, please contact:**

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