

March 10, 2026

The Honorable Pam Beidle  
Chair  
Senate Finance Committee  
Maryland Senate  
231 Taylor House Office Building  
6 Bladen Street  
Annapolis, MD 21401

*RE: SB 889 (Lam) - Consumer Protection and Labor and Employment - Electronic Shelving Labels and Surveillance-Based Price and Wage Setting - Prohibitions - Unfavorable*

Dear Chair Beidle and Members of the Committee,

On behalf of TechNet, I'm writing to share comments on SB 889.

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 104 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, but none have enacted legislation resembling SB 889. The difficulty of getting this right has been demonstrated in other states, where similar proposals were ultimately withdrawn or rejected on a bipartisan basis after months of deliberation.

The definition of "Surveillance-Based Price Setting" is extremely broad, and the bill subsequently prohibits such practices. Yet these practices have been used responsibly for years to support marketing, pricing, and other data-driver business decisions that enhance the consumer experience and promote competition. In some instances, companies will even lower prices to try to convince an infrequent or hesitant customer to use their services. These broad terms threaten industry-

normative practices that are intuitive and understandable to the average customer and a force for competition and lower prices overall.

We are especially concerned about how SB 889 will impact a business's ability to use customer data to generate discounts and promotions due to the bill's burdensome requirements. Discounts offered because of interest in a similar product, or discounts given to frequent purchasers to incentivize them to try a new product, may be impacted by this legislation. These are opportunities to help consumers save on their purchases and maintain their personal and family budgets, while at the same time allowing the retailer to optimize their inventory to allow for better product selection that customers will further enjoy. If those purchases are made online, there is a prior search history to indicate past purchases, and therefore, this would fall under "surveillance-based price setting" and lead to penalties.

The bill also provides for a private right of action or PRA. PRAs lead to frivolous lawsuits and, in our view, only benefit a small subset of industry operating in the litigation space.

Last year in California, lawmakers attempted to move AB 446, legislation similar to the current version of SB 889; however, there was significant opposition from the business and technology industries and the final version only applied to price increases at brick-and-mortar grocery establishments. Ultimately the bill sponsor pulled their bill due to overwhelming concerns from industry. Our neighbors in Virginia also rejected a similar proposal, HB 121, earlier this year.

In our view, price setting is best left to the free market and customer demand. While TechNet supports the intent of the bill - to ensure Maryland consumers are treated fairly and without discrimination - we remain concerned about its negative consequences. Thank you for allowing us the opportunity to share our concerns on SB 889. Please don't hesitate to reach out with any questions.

Sincerely,



Margaret Durkin  
TechNet Executive Director, Pennsylvania & the Mid-Atlantic