House Bill 901: Online Consumer Protection Act

Economic Matters

March 6, 2019

OPPOSE

The Montgomery County Chamber of Commerce ("MCCC"), as the voice of Montgomery County business opposes House Bill 901 which would require businesses that collect a consumer's personal information to provide notice to the consumer at or before the point of collection and would also authorize a consumer to submit a request for information to the business that collects the consumer's personal information. While we are generally supportive of consumer protection efforts to help ensure a fair and competitive marketplace, MCCC believes that further study is needed on this issue.

The definitions within this bill are so broad that they could create significant unintended consequences that are neither pro-consumer privacy, nor reflective of cybersecurity best practices. In key respects, the law would undermine privacy and data security. For example, the absence of a clear fraud exception would mean that hackers and other bad actors can require disclosure of information that jeopardizes other consumers’ security. As a result, this bill as currently proposed would have negative consequences on both businesses large and small. If enacted, administering the bill will be nearly impossible and very confusing for consumers to understand.

These are complex and technical issues which deserve to be studied further to avoid enacting legislation that would have the opposite effect of its original intent.

Therefore, we recommend that a commission be set up during the interim which would bring the major stakeholders together to develop a consensus position that protects consumers while not unfairly harming both small and large businesses.

For these reasons, we request House Bill 901 be given an unfavorable report.

The Montgomery County Chamber of Commerce (MCCC) accelerates the success of our nearly 500 members by advocating for increased business opportunities, strategic investment in infrastructure, and balanced tax reform to advance Metro Maryland as a regional, national, and global location for business success. Established in 1959, MCCC is an independent non-profit membership organization and is proud to be a Montgomery County Green Certified Business.

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