

MODPA risk assessments

What you need to know

Preparing for compliance with the Maryland Online Data Privacy Act (MODPA) begins with understanding when and how to conduct risk assessments. This checklist provides your organization with a clear, actionable guide to identify high-risk activities, document mitigation strategies, and demonstrate good-faith compliance.

What is MODPA?

MODPA is a comprehensive state privacy law that imposes strict requirements on businesses that collect and process personal data of Maryland residents. Effective October 1, 2025, MODPA expands privacy obligations to more organizations than most other state laws, introducing heightened protections for sensitive data, the information of minors, and consumer rights. Enforcement begins in April 2026, making early preparation essential for compliance.

MODPA risk assessment compliance checklist

1. Deadlines and current status:
 - ☐ Initial compliance deadline (October 1, 2025) has passed.
 - ☐ Confirm your organization is fully compliant with MODPA requirements.
 - ☐ Identify and remediate any gaps immediately. Enforcement begins in April 2026.
2. Who must comply?
 - ☐ Determine if you meet MODPA thresholds:
 - Control or process personal data of 35,000+ Maryland residents annually (excluding payment transactions) OR
 - Process data of 10,000+ Maryland residents and derive more than 20% of gross revenue from selling personal data.
3. Ongoing risk assessment obligations
 - ☐ Continue performing risk assessments for:
 - Targeted advertising
 - Selling personal data
 - Processing sensitive data
 - Profiling or automated decision-making with heightened risk of harm
 - ☐ Ensure assessments are up to date and reflect any new high-risk activities.
4. MODPA-specific standards
 - ☐ Minimize collected data:
 - General data: may be processed when reasonably necessary and proportionate for the stated purpose
 - Sensitive data: may be processed when strictly necessary for the stated purpose
 - ☐ Get familiar with sensitive data restrictions:
 - Ban on selling sensitive data.
 - Enhanced protections for minors (individuals under 18).
 - No targeted advertising or data sales if you know or should know the individual is a minor.
 - ☐ Document and review algorithmic profiling practices:
 - Maintain documented risk assessments for automated decision-making systems.
 - Include analysis of risks, benefits, consumer expectations, and mitigation strategies.

5. Documentation and enforcement preparedness
 - ☐ Maintain thorough and confidential records of all risk assessments and evaluations.
 - ☐ Be prepared to provide documentation to the Maryland Attorney General upon request.
 - ☐ Ensure internal audit trails demonstrate good faith compliance.
6. Action steps for the enforcement phase
 - ☐ Conduct a compliance audit now.
 - ☐ Update policies and frameworks for MODPA's unique requirements.
 - ☐ Train staff on their ongoing obligations and the associated enforcement risks.
 - ☐ Establish monitoring for new high-risk activities.

Risk assessments are more than just a legal requirement, as they are a proactive step toward protecting consumer privacy and building trust. Use this checklist to guide your compliance efforts, share it with your team, and start preparing now to avoid regulatory surprises and strengthen your organization's privacy posture.

Explore our five-part series to help your business prepare for compliance.

www.mcneeslaw.com/modpa



Key contact

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