Chapter 105

(House Bill 956)

AN ACT concerning

Consumer Protection – Workgroup on Artificial Intelligence Implementation

FOR the purpose of establishing the Workgroup on Artificial Intelligence Implementation; requiring the Workgroup to monitor and make recommendations regarding certain issues related to artificial intelligence and consumer protection; and generally relating to the Workgroup on Artificial Intelligence Implementation.

BY adding to

Article – State Finance and Procurement Section 3.5–807 Annotated Code of Maryland (2021 Replacement Volume and 2024 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – State Finance and Procurement

3.5-807.

(A) THERE IS A WORKGROUP ON ARTIFICIAL INTELLIGENCE IMPLEMENTATION.

(B) THE WORKGROUP CONSISTS OF THE FOLLOWING MEMBERS:

(1) TWO MEMBERS OF THE SENATE OF MARYLAND, APPOINTED BY THE PRESIDENT OF THE SENATE;

(2) TWO MEMBERS OF THE HOUSE OF DELEGATES, APPOINTED BY THE SPEAKER OF THE HOUSE;

(3) THE ATTORNEY GENERAL, OR THE ATTORNEY GENERAL'S DESIGNEE;

(4) THE CHIEF EXECUTIVE OFFICER OF THE MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION, OR THE CHIEF EXECUTIVE OFFICER'S DESIGNEE; AND

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(5) (1) THE FOLLOWING MEMBERS, APPOINTED BY THE GOVERNOR:

(I) <u>1.</u> FOUR <u>THREE</u> REPRESENTATIVES FROM THE MARYLAND TECHNOLOGY COUNCIL;

(II) <u>2.</u> THREE <u>TWO</u> REPRESENTATIVES FROM THE E-COMMERCE INDUSTRY;

(III) <u>3.</u> THREE <u>TWO</u> REPRESENTATIVES FROM THE BIOTECHNOLOGY INDUSTRY;

(IV) <u>4.</u> THREE <u>TWO</u> REPRESENTATIVES FROM THE REAL ESTATE COMMUNITY;

(∀) <u>5.</u> THREE <u>TWO</u> REPRESENTATIVES FROM THE HEALTH CARE SECTOR, <u>INCLUDING AT LEAST ONE REPRESENTATIVE WITH CLINICAL</u> <u>EXPERIENCE</u>; AND

(VI) <u>6.</u> THREE <u>TWO</u> REPRESENTATIVES FROM THE EDUCATION SECTOR;

<u>7.</u> <u>THREE REPRESENTATIVES FROM ACADEMIA WITH</u> <u>EXPERTISE IN THE DEVELOPMENT, OPERATION, OR SOCIAL IMPLICATIONS OF DATA</u> <u>SCIENCE, ARTIFICIAL INTELLIGENCE, OR MACHINE LEARNING;</u>

<u>8. TWO REPRESENTATIVES FROM NONPROFIT</u> ORGANIZATIONS THAT FOCUS ON CIVIL RIGHTS AND LIBERTIES; AND

<u>9. ONE REPRESENTATIVE FROM THE MARYLAND</u> VETERANS CHAMBER OF COMMERCE WITH ARTIFICIAL INTELLIGENCE EXPERTISE;

(II) THE FOLLOWING MEMBERS, APPOINTED BY THE PRESIDENT OF THE SENATE:

<u>1. TWO REPRESENTATIVES FROM NONPROFIT</u> ORGANIZATIONS WITH ARTIFICIAL INTELLIGENCE EXPERTISE THAT FOCUS ON CONSUMER PROTECTIONS; AND

<u>2.</u> <u>TWO REPRESENTATIVES FROM THE CYBERSECURITY</u> SECTOR WITH EXPERTISE IN ARTIFICIAL INTELLIGENCE; AND (III) THE FOLLOWING MEMBERS, APPOINTED BY THE SPEAKER OF THE HOUSE:

<u>1.</u> <u>TWO REPRESENTATIVES FROM NONPROFIT</u> ORGANIZATIONS THAT FOCUS ON ESTABLISHING DATA PRIVACY PROTECTIONS; AND

2. <u>TWO REPRESENTATIVES THAT WORK WITH THE</u> <u>AFL-CIO TECH INSTITUTE</u>.

(C) THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE JOINTLY SHALL DESIGNATE THE CHAIR OF THE WORKGROUP.

(D) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT THE WORKGROUP SHALL COORDINATE WITH THE MARYLAND CYBERSECURITY COUNCIL IN A MANNER AGREED ON BY THE CHAIRS OF THE WORKGROUP AND THE COUNCIL.

(D) (E) THE DEPARTMENT <u>UNIVERSITY OF MARYLAND CENTER FOR</u> <u>HEALTH AND HOMELAND SECURITY</u> SHALL PROVIDE STAFF FOR THE WORKGROUP.

(E) (F) A MEMBER OF THE WORKGROUP:

(1) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE WORKGROUP; BUT

(2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

(F) (G) THE WORKGROUP SHALL MONITOR ISSUES AND MAKE RECOMMENDATIONS RELATED TO ARTIFICIAL INTELLIGENCE INCLUDING:

(1) THE REGULATION OF ARTIFICIAL INTELLIGENCE USED IN DECISIONS THAT SIGNIFICANTLY IMPACT THE LIVELIHOOD AND LIFE OPPORTUNITIES OF INDIVIDUALS IN THE STATE;

(2) DEPLOYER AND DEVELOPER OBLIGATIONS RELATED TO LABOR AND EMPLOYMENT AND PROTECTION OF INDIVIDUAL PRIVACY RIGHTS;

(3) **PROTECTION OF CONSUMER RIGHTS;**

(4) CURRENT PRIVATE SECTOR USE OF ARTIFICIAL INTELLIGENCE;

(5) GENERAL ARTIFICIAL INTELLIGENCE DISCLOSURES FOR ALL CONSUMERS; AND

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(6) ENFORCEMENT AUTHORITY FOR THE OFFICE OF THE ATTORNEY GENERAL'S OFFICE OF CONSUMER PROTECTION <u>Division; and</u>

(7) THE IMPACT OF THE USE OF ARTIFICIAL INTELLIGENCE IN THE DETERMINATION OF GOVERNMENT BENEFITS.

(G) (H) ON OR BEFORE JULY 1, 2026, AND EACH YEAR THEREAFTER, THE WORKGROUP SHALL REPORT ITS FINDINGS AND RECOMMENDATIONS, IN ACCORDANCE WITH § 2–1257 OF THE STATE GOVERNMENT ARTICLE, TO THE SENATE FINANCE COMMITTEE AND THE HOUSE ECONOMIC MATTERS COMMITTEE.

(1) FOR FISCAL YEAR 2027 AND EACH FISCAL YEAR THEREAFTER, THE GOVERNOR MAY INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF \$100,000 TO SUPPORT THE WORKGROUP.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2025. <u>It shall remain effective for a period of 4 years and, at the end of June 30, 2029, this</u> <u>Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.</u>

Approved by the Governor, April 22, 2025.