

HOUSE BILL 1261

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6lr3451
CF 6lr1843

By: **Delegates Coley, Amprey, Mireku–North, Pasteur, Roberts, Rogers, Ruff, Tomlinson, Wilkins, Wims, and Young**

Introduced and read first time: February 12, 2026

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Consumer Protection – Artificial Intelligence Toys**
3 **(Artificial Intelligence Toy Safety Act)**

4 FOR the purpose of establishing certain child safety and data privacy requirements for
5 certain toys featuring artificial intelligence; requiring an artificial intelligence toy to
6 contain certain labeling; prohibiting the manufacturer of an artificial intelligence toy
7 from using certain data for certain marketing; establishing the Artificial Intelligence
8 Toy Safety Review Panel in the Consumer Protection Division of the Office of the
9 Attorney General to monitor manufacturer compliance with this Act and conduct
10 independent audits and safety assessments relating to artificial intelligence toys;
11 establishing that a violation of this Act is an unfair, abusive, or deceptive trade
12 practice subject to certain enforcement and penalty provisions under the Maryland
13 Consumer Protection Act; and generally relating to artificial intelligence toys.

14 BY repealing and reenacting, with amendments,

15 Article – Commercial Law
16 Section 13–301(14)(xlvii)
17 Annotated Code of Maryland
18 (2025 Replacement Volume)

19 BY repealing and reenacting, without amendments,

20 Article – Commercial Law
21 Section 13–301(14)(xlviii)
22 Annotated Code of Maryland
23 (2025 Replacement Volume)

24 BY adding to

25 Article – Commercial Law
26 Section 13–301(14)(xlix); and 14–5101 through 14–5108 to be under the new subtitle
27 “Subtitle 51. Artificial Intelligence Toy Safety Act”

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Annotated Code of Maryland
2 (2025 Replacement Volume)

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

5 **Article – Commercial Law**

6 13–301.

7 Unfair, abusive, or deceptive trade practices include any:

8 (14) Violation of a provision of:

9 (xlvii) Title 14, Subtitle 50 of this article; [or]

10 (xlviii) Section 13–411.1(c)(2) of the Transportation Article; or

11 **(XLIX) TITLE 14, SUBTITLE 51 OF THIS ARTICLE; OR**

12 **SUBTITLE 51. ARTIFICIAL INTELLIGENCE TOY SAFETY ACT.**

13 **14–5101.**

14 **(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS**
15 **INDICATED.**

16 **(B) “ADAPTIVE CONTENT” MEANS CONTENT OR RESPONSES GENERATED OR**
17 **MODIFIED USING ARTIFICIAL INTELLIGENCE THAT CHANGE BASED ON USER INPUT,**
18 **STORED DATA, OR BEHAVIORAL PATTERNS.**

19 **(C) “ARTIFICIAL INTELLIGENCE TOY” MEANS ANY TOY, DEVICE, OR**
20 **PRODUCT SOLD TO A CONSUMER IN THE STATE THAT:**

21 **(1) EMPLOYS ARTIFICIAL INTELLIGENCE, MACHINE LEARNING,**
22 **ADAPTIVE ALGORITHMS, CONVERSATIONAL ARTIFICIAL INTELLIGENCE,**
23 **BEHAVIORAL MODELING, OR SIMILAR COMPUTATIONAL PROCESSES; AND**

24 **(2) IS MARKETED AND SOLD TO, OR PRIMARILY USED BY, A CHILD.**

25 **(D) (1) “CHILD USER DATA” MEANS INFORMATION COLLECTED OR**
26 **INFERRED FROM A CHILD’S INTERACTION WITH AN ARTIFICIAL INTELLIGENCE TOY.**

27 **(2) “CHILD USER DATA” INCLUDES AUDIO, VIDEO, GEOLOCATION,**
28 **BIOMETRIC DATA, TEXT, BEHAVIORAL PATTERNS, AND RECORDED SPEECH.**

1 (E) "CORE FUNCTIONALITY" MEANS THE FEATURES OF AN ARTIFICIAL
2 INTELLIGENCE TOY THAT HAVE BEEN DESIGNED AND MARKETED FOR USE BY A
3 CHILD.

4 (F) "MANUFACTURER" MEANS A PERSON ENGAGED IN THE PRODUCTION,
5 DISTRIBUTION, IMPORTATION, OR SALE OF AN ARTIFICIAL INTELLIGENCE TOY IN
6 THE STATE.

7 (G) "PARENTAL CONSENT" MEANS VERIFIED PERMISSION FROM THE
8 PARENT OR LEGAL GUARDIAN OF A CHILD.

9 (H) "REVIEW PANEL" MEANS THE CHILD ARTIFICIAL INTELLIGENCE TOY
10 SAFETY REVIEW PANEL.

11 (I) (1) "SAFE MODE" MEANS AN AUTOMATIC SECURITY FEATURE THAT
12 LOCKS OR DISABLES AN ARTIFICIAL INTELLIGENCE TOY OR FEATURES ON THE
13 ARTIFICIAL INTELLIGENCE TOY.

14 (2) "SAFE MODE" INCLUDES AUTOMATICALLY SHUTTING DOWN,
15 RESETTING, REDIRECTING, OR LOCKING THE ARTIFICIAL INTELLIGENCE TOY.

16 14-5102.

17 (A) AN ARTIFICIAL INTELLIGENCE TOY PRODUCED, DISTRIBUTED,
18 IMPORTED, OR SOLD IN THE STATE MAY NOT:

19 (1) GENERATE, DISPLAY, OR COMMUNICATE CONTENT THAT:

20 (I) IS SEXUAL, VIOLENT, DISCRIMINATORY, OR OTHERWISE
21 INAPPROPRIATE FOR A CHILD;

22 (II) IS EMOTIONALLY MANIPULATIVE, INCLUDING BY
23 ENCOURAGING ISOLATION, SECRECY, OVERDEPENDENCE, OR EMOTIONAL
24 RELIANCE ON THE ARTIFICIAL INTELLIGENCE TOY;

25 (III) PROVIDES INSTRUCTION, ENCOURAGEMENT, OR ADVICE
26 ABOUT CRIMINAL ACTIVITY, SELF-HARM, SUBSTANCE USE, OR SEXUAL BEHAVIOR;
27 OR

28 (IV) INFERS, RECORDS, OR CATEGORIZES DEMOGRAPHIC OR
29 OTHER PERSONAL ATTRIBUTES OF A CHILD, INCLUDING RACE, RELIGION, SEXUAL
30 ORIENTATION, GENDER IDENTITY, OR POLITICAL AFFILIATION; OR

1 **(2) ENCOURAGE A CHILD TO INTERACT WITH THIRD-PARTY ONLINE**
2 **SYSTEMS, INCLUDING WEBSITES, APPLICATIONS, OR OTHER ONLINE DEVICES.**

3 **(B) AN ARTIFICIAL INTELLIGENCE TOY PRODUCED, DISTRIBUTED,**
4 **IMPORTED, OR SOLD IN THE STATE SHALL INCLUDE:**

5 **(1) A MECHANISM FOR EASILY OBTAINING AND REVOKING PARENTAL**
6 **CONSENT;**

7 **(2) A MECHANISM THAT DISABLES ARTIFICIAL INTELLIGENCE**
8 **FEATURES AND DATA COLLECTION FUNCTIONS IF PARENTAL CONSENT IS NOT**
9 **OBTAINED OR IS REVOKED;**

10 **(3) AGE-APPROPRIATE CONVERSATIONAL FILTERS TO BLOCK**
11 **HARMFUL OR INAPPROPRIATE DIALOGUE;**

12 **(4) CONTENT-MODERATION MECHANISMS THAT PREVENT THE**
13 **OUTPUT OF CONTENT PROHIBITED UNDER SUBSECTION (A) OF THIS SECTION;**

14 **(5) AN AUTOMATIC SAFE MODE THAT IS ACTIVATED WHEN THE**
15 **ARTIFICIAL INTELLIGENCE TOY RECEIVES POTENTIALLY HARMFUL, UNKNOWN, OR**
16 **PROHIBITED INPUTS; AND**

17 **(6) THE CAPABILITY TO SECURELY UPDATE SOFTWARE OR**
18 **FIRMWARE TO ADDRESS VULNERABILITIES OR IMPROVE SAFETY.**

19 **14-5103.**

20 **(A) A MANUFACTURER SHALL CONDUCT A CHILD ARTIFICIAL**
21 **INTELLIGENCE SAFETY ASSESSMENT FOR EACH ARTIFICIAL INTELLIGENCE TOY**
22 **PRODUCED, DISTRIBUTED, IMPORTED, OR SOLD IN THE STATE THAT:**

23 **(1) DESCRIBES FORESEEABLE RISKS OF OPERATING THE ARTIFICIAL**
24 **INTELLIGENCE TOY; AND**

25 **(2) OUTLINES THE MITIGATION STRATEGIES FOR THE FORESEEABLE**
26 **RISKS IDENTIFIED UNDER ITEM (1) OF THIS SUBSECTION.**

27 **(B) AN ARTIFICIAL INTELLIGENCE TOY SAFETY ASSESSMENT SHALL BE**
28 **CONDUCTED:**

1 **(1) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION,**
2 **BEFORE MARKETING OR SELLING AN ARTIFICIAL INTELLIGENCE TOY IN THE STATE;**

3 **(2) ON AN ANNUAL BASIS FOR EACH ARTIFICIAL INTELLIGENCE TOY**
4 **CONTINUING TO BE MARKETED OR SOLD IN THE STATE; AND**

5 **(3) FOLLOWING ANY SIGNIFICANT CHANGE MADE TO THE ARTIFICIAL**
6 **INTELLIGENCE FEATURES OF AN ARTIFICIAL INTELLIGENCE TOY.**

7 **(C) AN INITIAL ARTIFICIAL INTELLIGENCE SAFETY ASSESSMENT OF AN**
8 **ARTIFICIAL INTELLIGENCE TOY SOLD OR MARKETED IN THE STATE ON OR BEFORE**
9 **JULY 1, 2026, SHALL BE CONDUCTED NOT LATER THAN JANUARY 1, 2027.**

10 **14-5104.**

11 **(A) (1) SUBJECT TO SUBSECTION (B) OF THIS SECTION, A**
12 **MANUFACTURER MAY ONLY COLLECT THE MINIMUM CHILD USER DATA NECESSARY**
13 **FOR THE OPERATION OF THE CORE FUNCTIONALITY OF AN ARTIFICIAL**
14 **INTELLIGENCE TOY.**

15 **(2) CHILD USER DATA COLLECTED BY A MANUFACTURER SHALL BE**
16 **ENCRYPTED.**

17 **(B) AN ARTIFICIAL INTELLIGENCE TOY MANUFACTURER MAY NOT:**

18 **(1) SELL, LEASE, OR OTHERWISE TRANSFER CHILD USER DATA TO A**
19 **THIRD PARTY;**

20 **(2) USE CHILD USER DATA TO TRAIN UNRELATED ARTIFICIAL**
21 **INTELLIGENCE MODELS OR SYSTEMS;**

22 **(3) USE CHILD USER DATA FOR TARGETED ADVERTISING; OR**

23 **(4) RETAIN CHILD USER DATA FOR MORE THAN 12 MONTHS UNLESS**
24 **THE MANUFACTURER OBTAINS RENEWED PARENTAL CONSENT.**

25 **(C) A MANUFACTURER SHALL ENSURE THAT THE PARENT OR LEGAL**
26 **GUARDIAN OF A CHILD USER OF AN ARTIFICIAL INTELLIGENCE TOY HAS THE ABILITY**
27 **TO:**

28 **(1) EASILY ACCESS, REVIEW, DOWNLOAD, AND DELETE ALL CHILD**
29 **USER DATA COLLECTED BY AN ARTIFICIAL INTELLIGENCE TOY; AND**

1 **(2) EASILY DISABLE CHILD USER DATA COLLECTION WITHOUT**
2 **DISABLING THE CORE FUNCTIONALITY OF THE ARTIFICIAL INTELLIGENCE TOY.**

3 **(D) IF A DATA BREACH OR SUSPECTED DATA BREACH INVOLVING CHILD**
4 **USER DATA OCCURS, A MANUFACTURER SHALL NOTIFY EACH READILY**
5 **IDENTIFIABLE PARENT OR GUARDIAN OF A CHILD ARTIFICIAL INTELLIGENCE TOY**
6 **USER WITHIN 48 HOURS AFTER THE MANUFACTURER DISCOVERING THE DATA**
7 **BREACH OR SUSPECTED DATA BREACH.**

8 **14-5105.**

9 **(A) AN ARTIFICIAL INTELLIGENCE TOY SOLD OR DISTRIBUTED IN THE**
10 **STATE SHALL INCLUDE A CLEAR AND CONSPICUOUS LABEL:**

11 **(1) STATING THAT THE PRODUCT USES ARTIFICIAL INTELLIGENCE;**
12 **AND**

13 **(2) DIRECTLY OR THROUGH THE USE OF A QUICK RESPONSE CODE:**

14 **(I) IDENTIFYING ANY TYPE OF DATA COLLECTED BY THE**
15 **ARTIFICIAL INTELLIGENCE TOY; AND**

16 **(II) IF INTERACTIONS WITH THE ARTIFICIAL INTELLIGENCE**
17 **TOY ARE STORED, TRANSMITTED, OR USED TO GENERATE ADAPTIVE CONTENT,**
18 **PROVIDING INFORMATION ON HOW THE INTERACTIONS ARE STORED,**
19 **TRANSMITTED, OR USED.**

20 **(B) A MANUFACTURER THAT PRODUCES, DISTRIBUTES, IMPORTS, OR SELLS**
21 **AN ARTIFICIAL INTELLIGENCE TOY IN THE STATE SHALL MAKE PUBLICLY**
22 **AVAILABLE AN EASILY ACCESSIBLE ARTIFICIAL INTELLIGENCE SAFETY SUMMARY**
23 **REPORT USING PLAIN, EASILY UNDERSTANDABLE LANGUAGE IDENTIFYING:**

24 **(1) THE AGE RANGE THAT THE ARTIFICIAL INTELLIGENCE TOY IS**
25 **INTENDED FOR;**

26 **(2) RISKS IDENTIFIED IN THE USE OF THE ARTIFICIAL INTELLIGENCE**
27 **SAFETY ASSESSMENT COMPLETED UNDER § 14-5103 OF THIS SUBTITLE;**

28 **(3) THE RESULTS OF ANY TESTING OF THE ARTIFICIAL**
29 **INTELLIGENCE TOY; AND**

30 **(4) DIRECTIONS THAT THE PARENT OR GUARDIAN OF A CHILD USER**
31 **MAY USE TO CONTROL OR LIMIT DATA COLLECTION OR ADAPTIVE BEHAVIORS.**

1 14-5106.

2 A MANUFACTURER MAY NOT:

3 (1) MARKET OR ADVERTISE AN ARTIFICIAL INTELLIGENCE TOY AS AN
4 EMOTIONAL COMPANION, PARENTAL SUBSTITUTE, OR PSYCHOLOGICAL
5 COUNSELOR;

6 (2) USE A RECORDING OF OR GENERATED CONTENT FROM CHILD
7 INTERACTIONS WITH THE ARTIFICIAL INTELLIGENCE TOY IN ANY MARKETING OR
8 PROMOTIONAL MATERIALS WITHOUT OBTAINING EXPRESS PARENTAL CONSENT; OR

9 (3) USE DATA COLLECTED FROM A CHILD USER OF AN ARTIFICIAL
10 INTELLIGENCE TOY TO DEVELOP AN ARTIFICIAL INTELLIGENCE TOY
11 ADVERTISEMENT TARGETED AT CHILDREN.

12 14-5107.

13 (A) THERE IS AN ARTIFICIAL INTELLIGENCE TOY SAFETY REVIEW PANEL
14 IN THE CONSUMER PROTECTION DIVISION OF THE OFFICE OF THE ATTORNEY
15 GENERAL.

16 (B) (1) THE REVIEW PANEL SHALL:

17 (i) REVIEW MANUFACTURER COMPLIANCE WITH THE
18 REQUIREMENTS OF THIS SUBTITLE;

19 (ii) CONDUCT INDEPENDENT AUDITS OF ANY ARTIFICIAL
20 INTELLIGENCE TOY MARKETED, SOLD, OR DISTRIBUTED TO CHILDREN IN THE
21 STATE; AND

22 (iii) EVALUATE SAFETY STANDARDS AND MAKE
23 RECOMMENDATIONS FOR STATUTORY CHANGES BASED ON INDUSTRY BEST
24 PRACTICES.

25 (2) ON OR BEFORE DECEMBER 1, 2027, AND EACH DECEMBER 1
26 THEREAFTER, THE REVIEW PANEL SHALL REPORT TO THE GENERAL ASSEMBLY, IN
27 ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, ON
28 MANUFACTURER COMPLIANCE, THE RESULTS OF INDEPENDENT AUDITS, AND
29 POTENTIAL STATUTORY CHANGES.

30 14-5108.

1 **(A) A VIOLATION OF THIS SUBTITLE IS:**

2 **(1) AN UNFAIR, ABUSIVE, OR DECEPTIVE TRADE PRACTICE WITHIN**
3 **THE MEANING OF TITLE 13 OF THIS ARTICLE; AND**

4 **(2) SUBJECT TO THE ENFORCEMENT AND PENALTY PROVISIONS**
5 **CONTAINED IN TITLE 13 OF THIS ARTICLE.**

6 **(B) IN ADDITION TO THE PENALTIES UNDER TITLE 13 OF THIS ARTICLE, A**
7 **MANUFACTURER THAT VIOLATES ANY PROVISION OF THIS SUBTITLE IS SUBJECT TO:**

8 **(1) A CIVIL PENALTY UP TO \$50,000 PER VIOLATION; AND**

9 **(2) A MANDATORY RECALL OF A NONCOMPLIANT ARTIFICIAL**
10 **INTELLIGENCE TOY.**

11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
12 1, 2026.