

SENATE BILL 827

I3, D3, S2

6lr1117
CF 6lr2399

By: Senator Hester

Introduced and read first time: February 6, 2026

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

Consumer Protection and Product Liability – Chatbots

2 FOR the purpose of regulating the manner in which a developer designs and creates and
3 an operator makes available to users in the State a chatbot, including establishing
4 safety and privacy protections for users, establishing an enhanced protection for
5 users who are minors under a certain age, requiring the display of certain warnings
6 when using a chatbot, and establishing reporting mechanisms and requirements;
7 establishing that a violation of this Act is an unfair, abusive, or deceptive trade
8 practice subject to enforcement and penalty provisions under the Maryland
9 Consumer Protection Act and certain additional enforcement and penalty provisions;
10 establishing that a chatbot is considered a product for certain product liability
11 actions; applying certain requirements of this Act to units of State and local
12 government; requiring the Behavioral Health Administration to develop educational
13 materials that contain certain information relating to behavioral health care and
14 services for individuals; and generally relating to the design, use, and operation of
15 chatbots in the State.

17 BY repealing and reenacting, with amendments,
18 Article – Commercial Law
19 Section 13–301(14)(xlvii)
20 Annotated Code of Maryland
21 (2025 Replacement Volume)

22 BY repealing and reenacting, without amendments,
23 Article – Commercial Law
24 Section 13–301(14)(xlviii)
25 Annotated Code of Maryland
26 (2025 Replacement Volume)

27 BY adding to
28 Article – Commercial Law

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Section 13–301(14)(xlii); and 14–5101 through 14–5112 to be under the new subtitle
“Subtitle 51. Chatbots”
Annotated Code of Maryland
(2025 Replacement Volume)

5 BY adding to
6 Article – Health – General
7 Section 10–918 to be under the amended part “Part III. Miscellaneous”
8 Annotated Code of Maryland
9 (2023 Replacement Volume and 2025 Supplement)

10 BY repealing and reenacting, without amendments,
11 Article – Health – General
12 Section 10–1502(a)
13 Annotated Code of Maryland
14 (2023 Replacement Volume and 2025 Supplement)

15 BY repealing and reenacting, with amendments,
16 Article – Health – General
17 Section 10–1502(e)
18 Annotated Code of Maryland
19 (2023 Replacement Volume and 2025 Supplement)

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

Article – Commercial Law

23 13-301.

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

25 (14) Violation of a provision of:

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

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

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

SUBTITLE 51. CHATBOTS.

30 14-5101.

31 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
32 INDICATED.

1 **(B) “ADVERTISEMENT”** MEANS A WRITTEN STATEMENT, AN ORAL
2 STATEMENT, AN ILLUSTRATION, OR A DEPICTION DISPLAYED IN EXCHANGE FOR
3 MONEY OR OTHER CONSIDERATION, INCLUDING ACCESS TO DATA, THAT PROMOTES
4 THE PURCHASE OR USE OF A GOOD OR A SERVICE OR INTEREST IN A BRAND, A GOOD,
5 OR A SERVICE.

6 **(C) “AFFIRMATIVE CONSENT”** MEANS AN AFFIRMATIVE ACT SIGNIFYING A
7 USER’S FREELY GIVEN, UNAMBIGUOUS, AND INFORMED AUTHORIZATION IN
8 RESPONSE TO A SPECIFIC REQUEST FROM A CHATBOT AND IN ACCORDANCE WITH §
9 **14–5102** OF THIS SUBTITLE.

10 **(D) “ARTIFICIAL INTELLIGENCE”** OR **“AI”** MEANS AN ENGINEERED OR
11 MACHINE–BASED SYSTEM THAT VARIES IN ITS LEVEL OF AUTONOMY AND THAT CAN,
12 FOR EXPLICIT OR IMPLICIT OBJECTIVES, INFER FROM THE INPUT IT RECEIVES HOW
13 TO GENERATE OUTPUTS THAT CAN INFLUENCE PHYSICAL OR VIRTUAL
14 ENVIRONMENTS.

15 **(E) “CHATBOT”** MEANS A GENERATIVE ARTIFICIAL INTELLIGENCE SYSTEM
16 WITH A NATURAL LANGUAGE INTERFACE THAT PROVIDES ADAPTIVE RESPONSES TO
17 USER INPUTS.

18 **(F) “CHAT LOG”** MEANS A RECORD OF:

19 **(1) INPUT DATA; AND**

20 **(2) SYNTHETIC CONTENT GENERATED BY A CHATBOT AND SHARED**
21 **WITH THE USER.**

22 **(G) “COLLECT”** MEANS TO CREATE, BUY, RENT, GATHER, OBTAIN, RECEIVE,
23 ACCESS, OR OTHERWISE ACQUIRE PERSONAL DATA OR INPUT DATA BY ANY MEANS
24 THROUGH A USER’S INTERACTIONS WITH A CHATBOT.

25 **(H) “DE–IDENTIFIED DATA”** MEANS DATA HANDLED IN ACCORDANCE WITH
26 **§ 14–5103** OF THIS SUBTITLE THAT CANNOT REASONABLY BE:

27 **(1) USED TO INFER INFORMATION ABOUT A USER; OR**

28 **(2) LINKED TO AN IDENTIFIABLE USER.**

29 **(I) “DEVELOPER”** MEANS A PERSON THAT DESIGNS AND CREATES A
30 CHATBOT THAT AN OPERATOR MAKES AVAILABLE TO A USER IN THE STATE.

1 (J) “GENERATIVE ARTIFICIAL INTELLIGENCE” MEANS AN ARTIFICIAL
2 INTELLIGENCE SYSTEM THAT CAN GENERATE SYNTHETIC CONTENT INCLUDING
3 TEXT, AN IMAGE, A VIDEO, OR AUDIO DERIVED FROM THE AI SYSTEM’S TRAINING
4 DATA.

5 (K) “INPUT DATA” MEANS INFORMATION AND CONTENT INCLUDING TEXT,
6 AN IMAGE, A VIDEO, OR AUDIO THAT A USER MAKES AVAILABLE TO A CHATBOT.

7 (L) “OPERATOR” MEANS A PERSON, INCLUDING A DEVELOPER, THAT
8 MAKES AVAILABLE A CHATBOT TO A USER IN THE STATE.

9 (M) (1) “PERSONAL DATA” MEANS INFORMATION THAT IS LINKED OR MAY
10 REASONABLY BE LINKED TO A USER.

11 (2) “PERSONAL DATA” DOES NOT INCLUDE:

12 (I) DE-IDENTIFIED DATA; OR

13 (II) INFORMATION THAT IS LAWFULLY AVAILABLE TO THE
14 GENERAL PUBLIC:

15 1. AS A RESULT OF A DISCLOSURE BY OR THROUGH ANY
16 UNIT OF GOVERNMENT IN ACCORDANCE WITH APPLICABLE LAWS AND
17 REGULATIONS; OR

18 2. AS WIDELY DISTRIBUTED INFORMATION.

19 (N) “PROCESS” MEANS THE USE, STORAGE, ANALYSIS, DISCLOSURE,
20 DELETION, OR MODIFICATION OF INPUT DATA, INCLUDING PERSONAL DATA.

21 (O) (1) “PROFILE” MEANS PROCESSING PERFORMED ON INPUT DATA,
22 INCLUDING PERSONAL DATA, TO DETECT AND CLASSIFY OR DESIGNATE
23 PERSONALITY AND BEHAVIORAL CHARACTERISTICS OF A USER.

24 (2) “PROFILE” DOES NOT INCLUDE PROCESSING CHAT LOGS FOR
25 USER SAFETY PURPOSES OR AS REQUIRED BY LAW.

26 (P) “SELL” MEANS THE EXCHANGE OF INPUT DATA, INCLUDING PERSONAL
27 DATA, FOR MONEY OR OTHER CONSIDERATION.

28 (Q) (1) “TRAINING” MEANS THE USE OF INPUT DATA AS TRAINING DATA
29 TO ADJUST OR MODIFY A CHATBOT.

(2) "TRAINING" DOES NOT INCLUDE:

4 (II) ADJUSTMENTS OR OTHER MODIFICATIONS TO ADDRESS
5 IDENTIFIED RISKS OF HARM TO A USER; OR

6 (III) ADJUSTMENTS OR OTHER MODIFICATIONS REQUIRED BY
7 LAW.

8 **(R)** “USER” MEANS AN INDIVIDUAL WHO INTERACTS OR ENGAGES DIRECTLY
9 WITH A CHATBOT.

10 14-5102.

11 (A) IF A PROVISION OF THIS SUBTITLE REQUIRES A PERSON TO OBTAIN A
12 USER'S AFFIRMATIVE CONSENT, THE REQUEST FOR AFFIRMATIVE CONSENT:

13 (1) SHALL:

(I) BE PROVIDED IN A CLEAR AND CONSPICUOUS MANNER;

15 (II) BE REASONABLY ACCESSIBLE TO A USER WITH A
16 DISABILITY:

17 (III) BE AVAILABLE TO A USER IN EACH LANGUAGE IN WHICH
18 THE CHATBOT IS AVAILABLE TO THE USER; AND

19 (IV) CONTAIN AN OPTION TO REFUSE TO PROVIDE AFFIRMATIVE
20 CONSENT THAT IS AT LEAST AS PROMINENT AS, AND CONSISTS OF NOT MORE THAN
21 THE SAME NUMBER OF STEPS THAN, THE OPTION TO PROVIDE AFFIRMATIVE
22 CONSENT; AND

23 (2) MAY NOT:

24 (I) INFER FROM A USER'S INACTION OR CONTINUED USE OF
25 THE CHATBOT THAT THE USER PROVIDES AFFIRMATIVE CONSENT:

(H) BE PART OF THE CHATBOT'S GENERAL TERMS OF USE; OR

27 (III) BE OFFERED USING A USER INTERFACE DESIGNED OR
28 MANIPULATED WITH THE SUBSTANTIAL EFFECT OF SUBVERTING OR IMPAIRING THE

1 AUTONOMY, DECISION MAKING, OR CHOICE OF A USER, SUCH AS A PRACTICE
2 CONSIDERED TO BE A DARK PATTERN BY THE FEDERAL TRADE COMMISSION.

3 (B) IF A PERSON OBTAINS A USER'S CONSENT BY USE OF A MATERIALLY
4 FALSE OR MISLEADING STATEMENT OR REPRESENTATION, THE USER'S CONSENT IS
5 VOID AND UNENFORCEABLE.

6 14-5103.

7 FOR INFORMATION TO BE CONSIDERED DE-IDENTIFIED DATA UNDER THIS
8 SUBTITLE, THE OPERATOR SHALL:

9 (1) ENSURE AND PUBLICLY COMMIT IN A CLEAR AND CONSPICUOUS
10 MANNER THAT AGGREGATED DATA MAY NOT BE USED TO INFER INFORMATION
11 ABOUT A USER OR ESTABLISH A LINK TO AN IDENTIFIABLE USER; AND

12 (2) CONTRACTUALLY OBLIGATE A THIRD PARTY THAT RECEIVES
13 DATA FROM AN OPERATOR TO ENSURE THAT AGGREGATED DATA MAY NOT BE USED
14 TO INFER INFORMATION ABOUT A USER OR ESTABLISH A LINK TO AN IDENTIFIABLE
15 USER.

16 14-5104.

17 (A) AN OPERATOR MAY NOT MAKE AVAILABLE TO A USER IN THE STATE A
18 CHATBOT THAT IS CAPABLE OF:

19 (1) SUBJECT TO SUBSECTION (B) OF THIS SECTION:

20 (I) USING INPUT DATA AS TRAINING DATA FOR THE CHATBOT,
21 UNLESS THE USER PROVIDES AFFIRMATIVE CONSENT; OR

22 (II) PROCESSING OR USING PERSONAL DATA OTHER THAN
23 INPUT DATA AS TRAINING DATA FOR THE CHATBOT, UNLESS NECESSARY TO
24 RESPOND TO A USER PROMPT AND THE USER PROVIDES AFFIRMATIVE CONSENT;

25 (2) PROCESSING A USER'S CHAT LOG TO:

26 (I) DETERMINE WHETHER TO DISPLAY AN ADVERTISEMENT
27 FOR A GOOD OR A SERVICE TO THE USER; OR

28 (II) CUSTOMIZE AN ADVERTISEMENT DISPLAYED TO THE USER;

5 (5) PROVIDING ADVICE OR A SERVICE THAT AN INDIVIDUAL CANNOT
6 LAWFULLY PROVIDE WITHOUT A LICENSE, INCLUDING FINANCIAL, LEGAL, OR
7 MEDICAL ADVICE, IN VIOLATION OF APPLICABLE STATE LICENSING LAWS.

8 (B) IF AN OPERATOR OR A DEVELOPER KNOWS OR REASONABLY SHOULD
9 KNOW THAT A USER IS A MINOR WHO IS UNDER THE AGE OF 13 YEARS, UNLESS THE
10 USER'S PARENT OR GUARDIAN PROVIDES WRITTEN AFFIRMATIVE CONSENT TO THE
11 OPERATOR OR THE DEVELOPER, THE OPERATOR AND THE DEVELOPER MAY NOT:

(1) USE INPUT DATA AS TRAINING DATA FOR THE CHATBOT: OR

(2) PROCESS PERSONAL DATA OTHER THAN INPUT DATA.

14 14-5105.

15 (A) A DEVELOPER SHALL ESTABLISH AND AN OPERATOR SHALL PROVIDE
16 TO A USER OF THE OPERATOR'S CHATBOT CLEAR AND CONSPICUOUS WARNINGS
17 THAT CHATBOTS ARE ARTIFICIALLY GENERATED AND NOT HUMAN USING BOTH;

18 (1) A STATIC, PERSISTENT WARNING THAT CONTINUOUSLY APPEARS
19 ON THE SCREEN; AND

(2) A DYNAMIC WARNING THAT POPS UP ON THE SCREEN AND
REQUIRES THE USER TO RESPOND:

22 (I) AT THE START OF A USER'S INTERACTION WITH A CHATBOT;

23 (II) AFTER EVERY HOUR OF A USER'S CONTINUOUS

24 INTERACTION WITH A CHATBOT; AND

25 (III) WHEN PROMPTED BY A USER IN A MANNER THAT
26 QUESTIONS HOW THE CHATBOT FUNCTIONS OR PROVIDES RESPONSES.

27 **(B) A WARNING REQUIRED UNDER SUBSECTION (A) OF THIS SECTION SHALL**
28 **BE:**

7 14-5106.

8 A DEVELOPER SHALL ESTABLISH AND AN OPERATOR SHALL PROVIDE TO A
9 USER OF THE OPERATOR'S CHATBOT A MECHANISM FOR A USER TO INSPECT THE
10 USER'S CHAT LOG THAT THE OPERATOR HAS RETAINED IN A FORMAT THAT IS
11 PORTABLE, DOWNLOADABLE, AND HUMAN- AND MACHINE-READABLE.

12 14-5107.

18 (2) MONTHLY SAFETY TESTING.

19 **(B) (1) AN OPERATOR SHALL PUBLISH A WRITTEN EXPLANATION OF THE**
20 **PROGRAM ESTABLISHED AND MAINTAINED UNDER SUBSECTION (A)(1) OF THIS**
21 **SECTION ON THE OPERATOR'S PUBLICLY ACCESSIBLE WEBSITE.**

25 14-5108.

26 **(A) AN OPERATOR OR A DEVELOPER MAY NOT:**

27 **(1) SELL A CHAT LOG;**

28 **(2) DISCRIMINATE OR RETALIATE AGAINST A USER FOR:**

1 (I) REFUSING TO PROVIDE AFFIRMATIVE CONSENT AS
2 REQUIRED BY THIS SUBTITLE; OR

5 (3) ADVERTISE THAT A CHATBOT IS CAPABLE OF PROVIDING ADVICE
6 OR A SERVICE THAT AN INDIVIDUAL CANNOT LAWFULLY PROVIDE WITHOUT A
7 LICENSE, INCLUDING A REPRESENTATION THAT USER INPUTS OR CHAT LOGS ARE
8 PROTECTED BY AN INAPPLICABLE FIDUCIARY OR OTHER LEGAL DUTY OF
9 CONFIDENTIALITY.

10 (B) FOR PURPOSES OF THIS SECTION, THE DISCLOSURE OF INPUT DATA,
11 INCLUDING PERSONAL DATA, TO A THIRD PARTY RESPONSIBLE FOR PROCESSING
12 THE DATA IS NOT CONSIDERED SELLING A CHAT LOG.

13 14-5109.

14 (A) A VIOLATION OF THIS SUBTITLE IS:

17 (2) SUBJECT TO THE ENFORCEMENT AND PENALTY PROVISIONS
18 CONTAINED IN TITLE 13 OF THIS ARTICLE.

19 (B) (1) IN ADDITION TO THE REMEDIES CONTAINED IN TITLE 13 OF THIS
20 ARTICLE:

(I) THE ATTORNEY GENERAL MAY BRING AN ACTION TO SEEK
DECLARATORY RELIEF;

(III) A CHATBOT SHALL BE CONSIDERED A PRODUCT FOR WHICH:

1 2. AN OPERATOR OR A DEVELOPER MAY BE HELD
2 STRICTLY LIABLE FOR CAUSING INJURY OR HARM TO A USER; AND

3 3. AN INDIVIDUAL MAY BRING AN ACTION FOR A DESIGN
4 DEFECT, A MANUFACTURING DEFECT, OR A MARKETING DEFECT.

5 (2) IN ADDITION TO COMPENSATORY DAMAGES AWARDED UNDER AN
6 ACTION TO RECOVER FOR INJURY OR LOSS UNDER § 13-408 OF THIS ARTICLE, A
7 COURT MAY ORDER A PERSON WHO KNOWINGLY VIOLATES THIS SUBTITLE TO PAY
8 AN INDIVIDUAL AFFECTED BY A VIOLATION OF THIS SUBTITLE PUNITIVE DAMAGES
9 NOT EXCEEDING THREE TIMES THE AMOUNT OF ANY ACTUAL DAMAGES RESULTING
10 FROM THE INJURY OR LOSS.

11 (C) IF THE ATTORNEY GENERAL RECOVERS A CIVIL PENALTY THAT IS NOT
12 PAYABLE TO AN INDIVIDUAL WHO IS AFFECTED BY A VIOLATION OF THIS SUBTITLE,
13 THE ATTORNEY GENERAL SHALL DISTRIBUTE THE PENALTY TO THE BEHAVIORAL
14 HEALTH WORKFORCE INVESTMENT FUND ESTABLISHED UNDER § 10-1502 OF THE
15 HEALTH - GENERAL ARTICLE.

16 14-5110.

17 (A) THE DUTIES, OBLIGATIONS, AND REMEDIES UNDER THIS SUBTITLE:

18 (1) ARE IN ADDITION TO OTHER DUTIES, OBLIGATIONS, AND
19 REMEDIES PROVIDED UNDER ANY FEDERAL, STATE, OR LOCAL LAW OR
20 REGULATION; AND

21 (2) MAY NOT BE CONSTRUED TO IMPAIR OR DENY ANY OTHER DUTY,
22 OBLIGATION, OR REMEDY PROVIDED UNDER ANY FEDERAL, STATE, OR LOCAL LAW
23 OR REGULATION.

24 (B) EXCEPT FOR § 14-5109 OF THIS SUBTITLE, THE REQUIREMENTS OF THIS
25 SUBTITLE APPLY TO ANY UNIT OF STATE AND LOCAL GOVERNMENT THAT DESIGNS,
26 CREATES, OR MAKES AVAILABLE A CHATBOT.

27 14-5111.

28 THE DIVISION OF CONSUMER PROTECTION OF THE OFFICE OF THE
29 ATTORNEY GENERAL SHALL ADOPT REGULATIONS TO CARRY OUT THE PROVISIONS
30 OF THIS SUBTITLE, INCLUDING:

31 (1) THE STANDARD CONTENT AND FORM OF A WARNING REQUIRED
32 UNDER § 14-5105 OF THIS SUBTITLE, INCLUDING MODEL WARNINGS;

7 14-5112.

8 **THIS SUBTITLE MAY BE CITED AS THE CURBING HARMFUL AI TECHNOLOGY**
9 **ACT.**

Article – Health – General

Part III. [Enforcement] MISCELLANEOUS.

12 10-918.

13 (A) THE ADMINISTRATION SHALL DEVELOP EDUCATIONAL MATERIALS
14 THAT CONTAIN INFORMATION:

20 (B) THE EDUCATIONAL MATERIALS DEVELOPED UNDER SUBSECTION (A) OF
21 THIS SECTION SHALL BE:

22 (1) DISSEMINATED TO THE PUBLIC BY THE ATTORNEY GENERAL IN
23 ACCORDANCE WITH § 14-5111(3) OF THE COMMERCIAL LAW ARTICLE; AND

26 10-1502.

27 (a) There is a Behavioral Health Workforce Investment Fund.

28 (e) The Fund shall consist of:

3 **[(1)] (2)** Money appropriated in the State budget to the Fund;
4 **[(2)] (3)** Interest earnings of the Fund; and
5 **[(3)] (4)** Any other money from any other source accepted for the benefit
6 of the Fund.

7 SECTION 2. AND BE IT FURTHER ENACTED, That, if any provision of this Act or
8 the application of any provision of this Act to any person or circumstance is held invalid for
9 any reason in a court of competent jurisdiction, the invalidity does not affect other
10 provisions or any other application of this Act that can be given effect without the invalid
11 provision or application, and for this purpose the provisions of this Act are declared
12 severable.

13 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
14 October 1, 2026.