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FISCAL AND POLICY NOTE
First Reader

Senate Bill 114 (Senators Kagan and Corderman)

Education, Energy, and the Environment

3-1-1 Systems - Expansion Program and Oversight Board - Establishment

This bill establishes the Maryland 3-1-1 Oversight Board, staffed by the Maryland Information Network (MDInfoNet). Among other responsibilities, the board must establish a 3-1-1 program to evaluate and expand the use of 3-1-1 systems in the State. The board must designate two counties that have 3-1-1 systems and two counties that do not have 3-1-1 systems to initially participate in the program. By July 1, 2028, the board must (1) submit an implementation plan for a statewide 3-1-1 system and (2) also implement the 3-1-1 program in each county in the State in accordance with the implementation plan, as specified. **The bill takes effect July 1, 2026.**

Fiscal Summary

State Effect: General fund expenditures increase significantly beginning in FY 2027, potentially by more than $1.0 million annually, as discussed below. Any expense reimbursements for board members are assumed to be minimal and absorbable within existing budgeted resources. Revenues are not affected.

Local Effect: Local government expenditures for jurisdictions that have an existing 3-1-1 program may decrease, as discussed below. Revenues are not affected.

Small Business Effect: Minimal.

Analysis

Bill Summary:

Definitions

"Chatbot" means a computer program available through a phone number, a website, or an application that simulates human conversation through text or voice, using artificial intelligence (AI) to respond to typed questions using information from curated, agency-approved sources such as government websites, service catalogs, ordinances, forms, and geographic information system layers.

"Voicebot" means a computer program available through a phone number that simulates human conversation using AI that (1) responds to vocal questions over the phone using information from curated, agency-approved sources such as government websites, service catalogs, ordinances, forms and geographic information system layers and (2) routes calls to appropriate destinations.

Maryland 3-1-1 Oversight Board

The bill establishes the Maryland 3-1-1 Oversight Board, which must be staffed by MDInfoNet. The board must (1) designate counties to participate in the program; (2) establish evaluation criteria for the program; (3) review vendor applications submitted to the board by MDInfoNet and select a vendor; (4) ensure 3-1-1 systems align with best practices for technology, accessibility, and equity; (5) approve and coordinate statewide marketing strategies for the program; (6) implement the program; and (7) develop a set of unified statewide data standards for 3-1-1 systems. Marketing strategies must be accessible, multilingual, and culturally competent.

The board must meet at least four times per calendar year. For the purposes of the Open Meetings Act, a project site visit or educational field tour may not be considered a meeting of the board if no organizational business is conducted. Board members may not receive compensation but are entitled to reimbursement for expenses.

3-1-1 Program

The board must designate two counties that have 3-1-1 systems and two counties that do not have 3-1-1 systems to participate in the 3-1-1 program. The board must require MDInfoNet to (1) solicit requests for proposals from vendors for technology platforms and other services necessary to run 3-1-1 systems for the program and (2) submit a list of possible vendors to the board.

Chatbot Requirements: By June 30, 2027, the board must establish a chatbot in each county designated by the board. Each chatbot must include multilingual support, integration with geographic information system data for accurate routing, and clear escalation protocols to route complex requests to live agents.

Each county participating in the program must designate the sources a chatbot may use in responding to questions. The vendor of the 3-1-1 system chosen to host a chatbot must analyze the performance of the chatbot based on user feedback regarding accuracy of chatbot responses. The vendor must also investigate an answer that a user designates as inaccurate. If the response is found to be inaccurate, the agency operating the source webpage must update it to become accurate.

Voicebot Requirements: By December 1, 2028, the board must establish a voicebot in each participating county. Each voice bot must include (1) multilingual support; (2) the ability to transfer calls to 9-1-1, 2-1-1, and 9-8-8, as needed; (3) integration with geographic information system data for accurate routing; and (4) clear escalation protocols to route complex requests to live agents. The vendor of the 3-1-1 system chosen to host a voicebot must analyze the performance of the voicebot in the same way as the chatbot, as specified.

Reporting and Statewide Implementation

By December 1, 2027, the board, in consultation with MDInfoNet, must submit a report to the Governor and the General Assembly on the progress of the program. The report must include (1) call deflection tracking based on the reduction in 9-1-1 calls for that time period; (2) user satisfaction; (3) accessibility of the 3-1-1 system; (4) costs saved by a participating county, if any; (5) an evaluation of the integration of the chatbots and voicebots into each county; and (6) recommendations for improvement.

By July 1, 2028, the board, in consultation with MDInfoNet, must submit a report to the Governor and the General Assembly that evaluates the implementation of the program, including (1) cost effectiveness of the chatbot and voicebot; (2) equity in service access; (3) challenges of integrating the chatbot and voicebot into county systems; (4) user satisfaction; and (5) call volume for 9-1-1 in the program counties. The report must create a comprehensive plan to expand the program to each county in the State.

The board must also implement a statewide 3-1-1 program by July 1, 2028, in accordance with the aforementioned plan, which is also due by July 1, 2028.

Current Law:

3-1-1 Systems – Generally

According to the Federal Communications Commission, the telephone number 3-1-1 is assigned nationwide for nonemergency police and other government services.

State regulations authorize a county or multicounty system in the State to establish a 3-1-1 system to reduce congestion on the 9-1-1 system. At a minimum, a 3-1-1 system must include the following: (1) switching or programming to direct a 3-1-1 call to a nonemergency answering position; (2) a 3-1-1 answering position that must be capable of immediately transferring an emergency call to a 9-1-1 answering position or an adjoining public safety answering point, transferring a nonemergency call to an adjoining jurisdiction or appropriate agency, and providing individuals with a speech or hearing disability or who do not speak or understand English with access to alternative communication services; and (3) a 3-1-1 call taker trained to handle nonemergency calls and to transfer emergency calls to a 9-1-1 call taker.

Evaluation and Creation of a Statewide Virtual 3-1-1 Portal

Chapter 450 of 2024 established the intent of the General Assembly that the Department of Information Technology (DoIT) evaluate the potential of AI in creating a statewide virtual 3-1-1 portal as a source for Maryland residents to obtain nonemergency government information and services and, if DoIT determines that the use of AI in creating a virtual 3-1-1 portal is feasible, prioritize the creation of a virtual 3-1-1 portal. Additionally, the 2024 Joint Chairmen's Report (JCR) requested that DoIT assess the possibility of utilizing AI in creating a statewide virtual 3-1-1 portal as a source for Maryland residents to obtain nonemergency government information and services. In response to Chapter 450 and the JCR request, DoIT submitted a feasibility study to the General Assembly in February 2025.

For a discussion of the status of AI in the State and the nation, please see the **Appendix – Artificial Intelligence**.

Workgroup to Study Implementation of an Expanded 3-1-1 Nonemergency System

Chapters 17 and 18 of 2025 established the Workgroup to Study Implementation of an Expanded 3-1-1 Nonemergency System. The workgroup must review the study completed by DoIT required by Chapter 450 in order to establish a plan to implement the recommendations of the study. The workgroup must also review the following areas for study and, if relevant, potential modification or implementation: (1) existing 3-1-1 services provided by the State; (2) 3-1-1 services provided in other states and jurisdictions; (3) best practices for providing an expanded 3-1-1 nonemergency system; (4) solutions to any

limitations or feasibility issues with providing an expanded 3-1-1 nonemergency system; (5) the development of a plan to provide an expanded 3-1-1 nonemergency system; (6) identification of the appropriate State agency to oversee an expanded 3-1-1 nonemergency system; and (7) the development of an expanded virtual 3-1-1 portal.

The workgroup submitted its [final report](#) on November 1, 2025.

State Expenditures: The bill requires MDInfoNet to staff and support the Maryland 3-1-1 Oversight Board, solicit proposals from vendors to procure a chatbot and voicebot for participating program counties, oversee the deployment of the chatbot and voicebot for participating program counties, produce specified reports on the progress of the program, and implement the program in each county of the State. MDInfoNet, also known as 2-1-1 Maryland, is a private, nonprofit organization that maintains an information and referral service network that is available to Maryland residents via telephone and Internet. 2-1-1 Maryland offers guidance 24 hours a day and seven days a week regarding access to health, crisis, and social services.

MDInfoNet advises that it cannot meet the bill's requirements with its existing resources. A preliminary analysis developed by MDInfoNet estimates that an additional $1.4 million is needed in fiscal 2027 for it to (1) hire a program manager, a county liaison, and a data specialist to assist the board and implement the program; (2) procure a chatbot and voicebot and deploy each to participating counties in the program; (3) conduct a media campaign to advertise the program; (4) coordinate with participating counties to ensure the chatbot and voicebot provide accurate information; and (5) provide ongoing oversight activities. MDInfoNet's preliminary analysis estimates the need for similar annual funding levels through fiscal 2031 to administer and expand the 3-1-1 program. Without actual experience under the bill, the Department of Legislative Services (DLS) cannot independently verify MDInfoNet's estimate; however, significant funding is likely needed for MDInfoNet to meet the bill's requirements. DLS also concurs that MDInfoNet likely needs additional staff to meet the bill's requirements. Moreover, additional resources beyond those currently identified may be required beginning in fiscal 2029 once the 3-1-1 program is implemented in all counties.

Therefore, general fund expenditures increase by *at least* $1.0 million annually beginning in fiscal 2027 for staffing and to establish the program. For the purposes of this analysis, it is assumed that any costs incurred by MDInfoNet will be reimbursed with general funds by the State, and that any personnel subsequently hired by MDInfoNet are not State employees.

Local Fiscal Effect: Six counties in the State have already established a 3-1-1 system in their respective jurisdictions: Baltimore City and Anne Arundel, Baltimore, Montgomery, Prince George's, and St. Mary's counties, although the features and formats of these

systems vary. Once the statewide 3-1-1 system is implemented, it is unclear if the other counties not in the preliminary program will choose to maintain their existing 3-1-1 systems. Should a county choose to eliminate or reduce the services provided by its own 3-1-1 system as a result of the bill, local expenditures decrease accordingly.

For the purposes of this analysis, it is assumed the counties participating in the program can designate the sources for the program's chatbot and work with the Maryland 3-1-1 Oversight Board as necessary and appropriate with existing resources.

Additional Comments: The bill contemplates that the 3-1-1 program could reduce call volume to the existing 9-1-1 system in counties participating in the program and later by all counties under the statewide program; it is unclear what, if any, effect the program might have on State and local finances related to the existing 9-1-1 system, and any such costs and savings are not included in this analysis.

This analysis also assumes that any 3-1-1 referrals to State or local agencies, programs, or departments for services, resources, or other information do not materially affect the finances of affected State and local agencies. Any increase in the demand for such services cannot be estimated without actual experience once the 3-1-1 program is implemented.

It is unclear how MDInfoNet can implement the 3-1-1 program statewide based on an implementation plan that is due to the Governor and General Assembly on the same date by which the program must be implemented statewide (July 1, 2028). Also, it is unclear if the statewide 3-1-1 program is intended to include the voicebot that is to be made available to participating program counties, as the voicebot must be implemented in program counties after the statewide system is implemented.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: HB 9 (Delegates Lopez and Kerr) - Government, Labor, and Elections.

Information Source(s): Department of Information Technology; Maryland Department of Aging; Maryland Department of Disabilities; Maryland Municipal League; Maryland Information Network; Federal Communications Commission; Department of Legislative Services

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Appendix – Artificial Intelligence

Artificial Intelligence – Generally

Artificial intelligence (AI) is a broad field of computer science that deals with the creation of "intelligent" systems that can reason, learn, and act autonomously. There are many different branches of AI, each with its own focus and set of techniques, such as machine learning, neural networks, robotics, expert systems, fuzzy logic, and natural language processing. AI research has been successful in developing algorithms for solving a wide range of problems, from game playing to conversation simulation.

AI use has expanded significantly in recent years. Many of the largest technology companies have each developed their own AI systems and have integrated the systems into their respective companies' products and services. AI's ability to quickly synthesize and summarize vast amounts of data and apply the results have made it a useful tool in modern society while also raising questions about its use. The following list briefly describes a few of the impacts of and issues surrounding AI.

- Related to education, AI may have potential benefits to help tutor or otherwise provide additional resources to assist students in their studies. However, some students use AI to cheat on their schoolwork;
- Related to energy use, the significant power draw necessary to run the data systems that host AI systems has contributed to localized energy shortages and increased energy costs;
- Regarding environmental issues, these data centers require a significant amount of water for cooling and increasingly have been using freshwater resources for this purpose;
- Related to criminal justice, AI image and video generation systems can be used to make "deep fake" pictures and videos that may be difficult or impossible to differentiate from actual events;
- AI's reliance on information from the internet has raised concerns regarding the accuracy of AI-generated content as well as copyright infringement and data privacy.
- Related to health, AI is being used to assist doctors in developing medical diagnoses, but is also being used by insurance companies to screen requests for care and claims;
- Related to labor and employment, the expansion of AI has led to concerns about employees being replaced by AI systems as a means to save money on labor costs.

Governance at the State Level

The State defines AI as a machine-based system that (1) can, for a given set of human-defined objectives, make predictions, recommendations, or decisions influencing real or virtual environments; (2) uses machine and human-based inputs to perceive real and virtual environments and abstracts those perceptions into models through analysis in an automated manner; and (3) uses model inference to formulate options for information or action. At the State level, AI is governed primarily by the Department of Information Technology (DoIT) and the Governor's AI Subcabinet. This governance structure was established by Chapter 496 of 2024 and, broadly speaking:

- requires DoIT to adopt policies and procedures, in consultation with the Governor's AI Subcabinet, concerning the development, procurement, deployment, use, and ongoing assessment of systems that employ high-risk AI by a unit of State government;
- prohibits units of State government from procuring or deploying a new system that employs AI unless the system complies with the policies and procedures adopted by DoIT;
- requires each unit of State government to conduct a data inventory to identify data that meets criteria established by the Chief Data Officer and that is (1) necessary for the operations of the unit or otherwise required to be collected as a condition to receive federal funds or by federal or State law and (2) in a form prescribed by the Chief Data Officer, including when the data is used in AI; and
- requires each unit of State government to conduct an inventory of systems that employ high-risk AI.

Most recently, DoIT and the subcabinet have released the [2025 Maryland AI Enablement Strategy & AI Study Roadmap](#), which includes plans for studying opportunities, risks, and next steps associated with the use of AI in State services. Additionally, in November 2025, the Governor's Office announced a [State partnership](#) with two AI companies to integrate certain AI systems into a portion of the State's workforce.

Other Recent State Laws and Policies

In addition to the direct governance effectuated by Chapter 496, various other laws and policies address some of the issues posed by AI.

Chapter 105 of 2025 established the Workgroup on AI Implementation to monitor issues and make recommendations related to AI, including (1) the regulation of AI 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 AI; (5) general AI disclosures for all consumers; (6) enforcement authority for the Office of the Attorney General's Consumer Protection Division; and (7) the impact of the use of AI in the determination of government benefits. The first report from the workgroup is due July 1, 2026.

Chapter 747 of 2025 requires a carrier (*i.e.*, insurance company or another organization that provides health benefit plans), pharmacy benefits manager, or a private review agent that uses AI, algorithms, or other software tools for utilization review (including working through an entity that uses such tools) to ensure that such tools are used in a specified manner. Notably, the Act specifies that an AI, algorithm, or other software tool may not deny, delay, or modify health care services and that carriers must submit in their quarterly appeals and grievance reports whether an AI, algorithm, or other software tool was used in making an adverse decision.

Chapter 17 of the 2025 special session established an AI Evidence Clinic Pilot Program in the Administrative Office of the Courts to provide expertise in AI to the circuit courts and the District Court in the form of expert testimony on the authenticity of electronic evidence that a court determines may have been created or altered using AI.

Regarding education, the Maryland State Department of Education has begun an AI initiative to develop policies and procedures for AI use by students and teachers. Additionally, Chapter 237 of 2025 specifies that, for school years 2025-2026 through 2027-2028, certain requirements for the procurement and use of digital tools to assure equivalent access to technology for students with disabilities do not apply to digital tools that use AI.

Federal Action

The National Artificial Intelligence Initiative Act of 2020 became law on January 1, 2021. The aim of the Act is to promote U.S. leadership in AI research and development with the goal of accelerating the nation's economic prosperity and national security through the development and use of trustworthy AI in the public and private sectors and preparation of the workforce for the inevitable integration of AI systems. This multi-agency initiative has included work by the U.S. Department of Energy, in consultation with the National Institute of Standards and Technology, to develop the AI Risk Management Playbook as a reference guide to support responsible and trustworthy AI use and development. Though not a binding document, the playbook addresses common AI risks and steps that AI leaders, practitioners, and procurement teams can take to manage data privacy and bias risks.

Other Executive Orders guiding and governing AI use of the federal level signed during the previous administration were revoked under the current administration. Moreover, an

Executive Order signed in December 2025 generally expresses the federal government's attempt to preempt State AI laws and regulations, directs certain federal agencies to penalize states that are found to not be in compliance with the preemption, and directs certain federal entities to prepare a legislative recommendation establishing a uniform federal policy framework for AI that preempts state AI laws.