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My name is Crystal Weise and I am the Innovation Policy and Program Manager of the AFL-CIO Technology Institute (Tech Institute) and am also a Maryland resident. We are an independent, non-partisan organization affiliated with the AFL-CIO – a voluntary, democratic federation of 63 unions representing more than 15 million workers in all regions and sectors of the economy and public service. The AFL-CIO Technology Institute was launched to focus on the intersection of work and technology. It seeks to provide workers a voice in the technological developments sweeping the workplace and society, including artificial intelligence. We would like to express our position as favorable with amendments.

### **THE IMPACT OF UNREGULATED AI**

The AI industry is rapidly transforming workplaces, leaving workers unprotected from [surveillance](#), privacy invasions, [discrimination](#), and erosion of labor rights. These technology systems are often linked to negative worker outcomes, including increased psychological stress, injury risk, scheduling and income instability, burnout, and turnover. In some cases, the implementation of data-driven systems impacts compensation structures in industries, for example, by "deskilling" work, depressing wages, eroding job security, or undermining royalty structures by threatening essential copyright and intellectual property protections. In other cases, these technologies can have a dramatic impact on other elements of job quality, including worker health and safety, professional discretion, [worker autonomy](#), [job satisfaction](#), and dignity. Beyond these effects, AI systems have shown algorithmic bias often resulting in discriminatory hiring practices and other hiring and compensation inequities. Employers [increasingly use](#) workplace AI systems for [key functions](#), such as hiring, scheduling, task assignment, performance evaluation, and even disciplining or terminating workers.

These immediate threats are real, and labor unions, public officials and civil society are leading the charge to fight back. But to proactively protect workers over the long-term, we must also strategize beyond these obstacles to prevent future ones through laws and regulations that shape and incentivize the technological development ecosystem.

Workers are [experts](#) in the use of technology. A lot can be learned by engaging them and their union representatives in the early stages of both the development of laws and the deployment of technology. Failure to involve workers meaningfully can lead to significant negative consequences especially if decisions about technology development and deployment are made that harm or ignore impacts on workers. Moreover, a technology ecosystem that fails to incorporate workers into the development process risks slowing things down, stymieing innovation, and creating costly and negative outcomes.

## **FRAMEWORK FOR WORKER-CENTERED, UNION LED AI POLICY**

We work with unions across the country on both federal and state-level policy. Labor has a broad framework for how technology should be governed and regulated. Legislation that protects end users (including workers) should include:

- Strong protections for both workers and consumers against discrimination and bias
- Transparency so workers and consumers know when and how companies use AI to make key decisions about them
- Broad definitions of covered systems to ensure accountability
- Ensure that consumer protections include workers and end users
- Include provisions for state governments as employers and deployers of AI
- Strong, loophole-free accountability and enforcement, including a private right of action
- Liability provisions to incentivize upstream technology development
- Mandatory consultation with workers and their unions when employers deploy AI

Putting these principles into practice is how we get to responsible and safe deployment of these technologies. Several of these things are addressed in MD HB 1331.

## **RECOMMENDATIONS**

It's good to see that the bill addresses discrimination and potential harms to users with transparency requirements around disclosure, notification, and appeal processes. However, the legislation in its current state fails to protect workers and workplaces. There are numerous loopholes that leave consumers and workers vulnerable to harm. We respectfully request that the bill be amended to strengthen the bill's ability to protect against the harms of AI.

### Strengthen Worker Protections

The bill should include a definition of consumer that explicitly includes workers and ensures mechanisms for public and worker input in AI governance.

### Close Loopholes

The impact assessment provisions included in the bill do not require an independent 3rd party auditor, allowing instead for self-policing. That loophole should be closed, establishing a requirement for independent 3rd party auditors to conduct impact assessments. Developers must also be required to conduct independent impact assessments. Furthermore, exemptions for anything a company considers a "trade secret" allow companies to skirt disclosure requirements. Such exemptions should be eliminated.

### Inadequate Enforcement Mechanisms

The bill's rebuttable presumptions undermine accountability and enforcement of the bill's provisions, allowing companies to ignore or circumvent regulations.

In order to address all of these issues and others, we recommend the following amendments:

On pg. 2, insert:

(B) "CONSUMER" MEANS AN INDIVIDUAL WHO:

(I) IS A RESIDENT OF THE STATE

(II) IS AN EMPLOYEE AS DEFINED IN § 3-1001 OF THE LABOR AND  
EMPLOYMENT ARTICLE

(III) IS EMPLOYED BY A BUSINESS IN THE STATE

On pg. 3, in line

On pg. 3, in line 19 after "title" insert:

"AND INCLUDING INSURANCE; ACCESS TO GOVERNMENT BENEFITS; AND  
ACCESS TO OR PROVISION OF EMPLOYMENT; "INCLUDING ANY DECISION MADE BY AN  
EMPLOYER THAT AFFECTS WAGES, BENEFITS, OTHER COMPENSATION, HOURS,  
SCHEDULE, PERFORMANCE EVALUATION, HIRING, RECRUITMENT, DISCIPLINE,  
PROMOTION, TERMINATION, DUTIES, ASSIGNMENT OF WORK, ACCESS TO WORK  
OPPORTUNITIES, PRODUCTIVITY REQUIREMENTS, WORKPLACE HEALTH AND SAFETY,  
OR OTHER TERMS OR CONDITIONS OF EMPLOYMENT."

On pg. 3, after (G), insert:

"(H) "SUBSTANTIAL FACTOR" INCLUDES ANY USE OF AN ARTIFICIAL  
INTELLIGENCE SYSTEM TO GENERATE ANY CONTENT, DECISION,  
PREDICTION, OR RECOMMENDATION CONCERNING A CONSUMER THAT IS  
USED AS A BASIS OR PARTIAL BASIS IN MAKING A DECISION"

On pg. 6, in line one, remove "AS NECESSARY," and replace with:

"AT LEAST ONCE EVERY YEAR"

On pg. 6, strike lines 16-22

On pg. 6, in line 23, replace "MAY" with "SHALL"

On pg. 7, strike lines 17-28

On page 8, under line 5 (section 14-5004), insert:

"(A) IN THIS SUBTITLE, THE FOLLOWING WORDS HAVE THE MEANINGS  
INDICATED.

(B) "IMPACT ASSESSMENT" MEANS AN IMPARTIAL EVALUATION BY AN  
INDEPENDENT AUDITOR

(C)(1)"INDEPENDENT AUDITOR" MEANS A PERSON OR THIRD-  
PARTY ENTITY THAT CONDUCTS AN IMPACT ASSESSMENT OF AN  
ARTIFICIAL INTELLIGENCE SYSTEM TASKED WITH MAKING A DECISION  
THAT PRODUCES LEGAL OR SIMILARLY SIGNIFICANT EFFECTS CONCERNING  
THE CONSUMER AS DEFINED IN § 14-4701 INCLUDING INSURANCE OR ACCESS  
TO GOVERNMENT BENEFITS"

(2) "INDEPENDENT AUDITOR" DOES NOT INCLUDE  
(I) A PERSON CURRENTLY OR AT ANY POINT IN THE 5  
YEARS PRECEDING THE IMPACT ASSESSMENT  
(a) ARE OR WERE INVOLVED IN USING, DEVELOPING, OFFERING,  
LICENSING, OR DEPLOYING THE HIGH-RISK ARTIFICIAL  
INTELLIGENCE SYSTEM;  
(b) HAVE OR HAD AN EMPLOYMENT RELATIONSHIP WITH A  
DEVELOPER OR DEPLOYER THAT USES, OFFERS, OR LICENSES THE  
HIGH-RISK ARTIFICIAL INTELLIGENCE SYSTEM; OR  
(c) HAVE OR HAD A DIRECT FINANCIAL INTEREST OR MATERIAL  
INDIRECT FINANCIAL INTEREST IN A DEVELOPER OR DEPLOYER THAT  
USES, OFFERS, OR LICENSES THE HIGH-RISK ARTIFICIAL  
INTELLIGENCE SYSTEM"

On pg. 8, line 11, replace "3" with "5"

On pg. 9, strike lines 8-27

On pg. 11, under line 4 (A), insert:

"(1) BY AN INDEPENDENT AUDITOR AS DEFINED IN 14-5004"

On pg. 11, in line 6, remove "AFTER" and replace with "BEFORE"

On pg. 12, strike lines 21-29

On pg. 13, strike line 1

On pg. 13, replace "MAY" with "SHALL"

On pg. 13, strike lines 6-9

On pg. 13, in line 22, remove "EXCEPT FOR § 13-408 OF THIS ARTICLE"

On pg. 14, strike lines 1-9 and replace with:

"DIGITAL COPY" MEANS A NEWLY CREATED, COMPUTER-GENERATED,  
HIGHLY REALISTIC ELECTRONIC REPRESENTATION THAT IS READILY  
IDENTIFIABLE AS THE VOICE OR LIKENESS OF AN INDIVIDUAL THAT:  
(A) IS EMBODIED IN A SOUND RECORDING, IMAGE, AUDIOVISUAL WORK,  
INCLUDING AN AUDIOVISUAL WORK THAT DOES NOT HAVE ANY  
ACCOMPANYING SOUNDS, OR TRANSMISSION;  
(i) IN WHICH THE INDIVIDUAL DID NOT ACTUALLY PERFORM OR  
APPEAR; OR

(ii) THAT IS A VERSION OF A SOUND RECORDING, IMAGE, OR AUDIOVISUAL WORK IN WHICH THE ACTUAL INDIVIDUAL DID PERFORM, APPEAR, IN WHICH THE FUNDAMENTAL CHARACTER OF THE PERFORMANCE OR APPEARANCE HAS BEEN MATERIALLY ALTERED.”

To truly protect workers and consumers, strong protections against the harms of AI and a role for worker voice in the implementation of the technology are essential strategies. Maryland’s workers deserve comprehensive and robust protections for consumers and workers from AI.