

March 4, 2025

The Honorable C.T. Wilson Chair, Committee on Economic Matters Maryland House of Delegates Room 230, House Office Building 6 Bladen Street Annapolis, MD 21401

Re: Oppose HB 1331 Developers and Deployers of Artificial Intelligence Systems

Dear Chair Wilson and members of the Committee::

On behalf of the Chamber of Progress, a tech industry association supporting public policies to build a more inclusive society in which all people benefit from technological advances, I **respectfully urge you to oppose HB 1331**, which would stifle innovation without advancing consumer protection or civil rights in Maryland.

AI has tremendous potential for improving education, enabling creative expression, and creating new business opportunities. So, it is critically important that public policy promotes the broad and equitable distribution of these innovations.

Policymakers are justly concerned about civil rights abuses, and the potential for algorithmic discrimination. We applaud the sponsors for their attention to these critical matters of social justice, but HB 1331 is a step backward.

HB 1331's assessment requirements will harm innovation and investment

Chamber of Progress supports thoughtful regulation that addresses specific harms. Unfortunately, HB 1331 requires innovators to conduct time-consuming and expensive assessments. These assessments - at least annually, plus for each "intentional and substantial" revision of their software - will cost the Maryland software development industry dearly. Additionally, these assessments threaten to expose business strategy and stifle competition by mandating that businesses disclose details of their software to consumers and potential competitors.

The vague definition of "artificial intelligence" makes the problems worse. HB 1331 defines artificial intelligence as "a machine-based system that:

- (1) Can, can, for a 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."

Intentionally or otherwise, this would implicate most consumer software developed in the state of Maryland.

Innovators agree that bias is bad

Unfairly biased outcomes are problematic for developers, deployers, and end-users alike. Tech companies are increasingly investing in internal teams for proactive bias detection and mitigation in their products. For example, Google has implemented its 'Responsible AI Practices.'¹ The initiative encompasses detailed guidelines for evaluating training metrics in machine learning models, including a thorough examination of the training data itself. Google's practices also emphasize a human-centric approach to AI development. Prioritizing safe and inclusive user experiences remains a top commitment for the tech industry.

Strengthening Maryland's consumer and civil rights laws is a better approach

HB 1331 is designed to address potential discrimination from artificial intelligence systems, including automated decision-making, in employment, housing, and other areas. To reiterate, we agree that discrimination is wrong, but focusing exclusively on AI systems ignores offline discrimination; Chamber of Progress opposes bias, whether by human or algorithmic decision-making. A better approach is to strengthen existing civil rights and Maryland fair housing laws to ensure that the most vulnerable members of society are protected online and offline.

For these reasons, we encourage you to **oppose HB 1331**.

Sincerely,

Brianna January Director of State & Local Government Relations, Northeast US

¹ Google, Responsible AI Practices, AI.GOOGLE. <u>https://ai.google/responsibility/responsible-ai-practices/</u>