



HB 823 - Generative Artificial Intelligence - Training Data Transparency

Committee: House Economic Matters Committee

Date: February 18, 2025

Position: Favorable with Amendments

The Maryland Bankers Association (MBA) **SUPPORTS HB 823 WITH AMENDMENTS** that deem the obligations in the bill satisfied for Maryland banks if they are subject to the jurisdiction of a state or federal regulator who publishes guidance or regulations that apply to the use of artificial intelligence.

Banking is a heavily regulated industry, with banks that operate in Maryland being supervised by state and/or federal regulators. While generative AI is a newer technology, it is still subject to the current legal and regulatory requirements of bank regulators. Examiners review a bank's AI systems on a regular basis to assess if the systems are understandable, fair, and do not permit any discriminatory practices.

Because the use of artificial intelligence is already supervised by state and federal regulators, adding this requirement to Maryland banks would be redundant and serve no benefit. Accordingly, MBA urges issuance of a **FAVORABLE** report on HB 823 **WITH AMENDMENTS**.

The Maryland Bankers Association (MBA) represents FDIC-insured community, regional, and national banks, employing thousands of Marylanders and holding more than \$194 billion in deposits in almost 1,200 branches across our State. The Maryland banking industry serves customers across the State and provides an array of financial services including residential mortgage lending, business banking, estates and trust services, consumer banking, and more.