



**TECHNET**  
THE VOICE OF THE  
INNOVATION ECONOMY

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February 7, 2025

The Honorable Luke Clippinger  
Chair  
House Judiciary Committee  
Maryland House of Delegates  
101 Taylor House Office Building  
6 Bladen Street, Annapolis, MD 21401

*RE: HB 589 (Grammer/Arikan) - Artificial Intelligence - Causing Injury or Death - Civil and Criminal Liability – Unfavorable*

Dear Chair Clippinger and Members of the Committee,

On behalf of TechNet, I'm writing to share comments on HB 589 related to civil and criminal liability as it relates to artificial intelligence.

TechNet is the national, bipartisan network of technology CEOs and senior executives that promotes the growth of the innovation economy by advocating a targeted policy agenda at the federal and 50-state level. TechNet's diverse membership includes dynamic American businesses ranging from startups to the most iconic companies on the planet and represents over 4.5 million employees and countless customers in the fields of information technology, artificial intelligence, e-commerce, the sharing and gig economies, advanced energy, transportation, cybersecurity, venture capital, and finance. TechNet has offices in Austin, Boston, Chicago, Denver, Harrisburg, Olympia, Sacramento, Silicon Valley, Tallahassee, and Washington, D.C.

Artificial intelligence (AI), machine learning (ML), and the algorithms that often support artificial intelligence have generated policymaker interest. We acknowledge that as technological advances emerge, policymakers' understanding of how these technologies work is vital for responsible policymaking. Our member companies are committed to responsible AI development and use; however, we are concerned about HB 589 for several reasons.

This bill seeks to impose a novel liability framework for AI. In a rapidly evolving policy and technology landscape, efforts to regulate such a nascent technology must be narrowly tailored and precise to avoid undermining innovation through the inadvertent prohibition of permitted AI uses. As drafted, components of the bill's language are vague and unclear, creating concern among our members that it will result in unintended consequences. For example, the term "capable of" is subjective and open to broad interpretation.

An AI tool, when developed, has intended uses but is also a technology that can be customized and modified by the company that deploys the technology. As drafted, this legislation does not appropriately contemplate how AI technology is developed or deployed. Given the liability created by the proposed legislation, ensuring that the correct actor is held responsible is critical. Yet, the vagueness in the proposed language creates an ambiguous liability scenario where the originating developer can be held responsible for the actions of another developer or deployer.

Further, the knowledge standard in both the civil and criminal penalties sections does not conform to acceptable legal standards. The proposed bill creates a liability framework where negligence can result in strict liability. Negligence requires the demonstration of causation, yet strict liability does not require causation at all. The knowledge standard must be limited to "intentionally and knowingly".

The lack of clear causation in the criminal liability section is also problematic and complex. Such a question is difficult to prove. Should such cases be brought against those who create the technology, the prospect of criminal penalties will stifle innovation and disincentivize companies and entrepreneurs from developing this critical technology for use in Maryland.

TechNet and its members encourage innovation while also ensuring that Maryland consumers are protected. We are concerned that the language within HB 589 will unduly smother innovation in the AI space. For the above stated reasons, we are strongly opposed to this bill. Thank you for your consideration of our concerns and please don't hesitate to reach out with any questions.

Sincerely,



Margaret Durkin  
TechNet Executive Director, Pennsylvania & the Mid-Atlantic