



February 11, 2025

The Honorable Luke Clippinger
Chair, House Committee on Judiciary
Room 100, House Office Building
6 Bladen Street
Annapolis, MD 21401

Re: Oppose HB 589 - AI Software Strict Liability

Dear Chair Clippinger 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 589.**

AI has tremendous potential for improving healthcare, 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.

HB 589 stifles innovation that can bring significant benefits to society

HB 589 introduces stringent liabilities for anyone involved in designing or creating AI software, which will have a chilling effect on innovation. By imposing strict liability—regardless of intent, knowledge, or negligence—this bill creates an environment where tech professionals, particularly smaller companies and startups, will be discouraged from pursuing new and transformative ideas due to the constant fear of legal repercussions.

Take, for instance, a small AI startup working on a groundbreaking healthcare application designed to streamline diagnostics. Despite the company's best practices, the looming threat of being held strictly liable for unintended issues could prevent it from launching a new, life-changing product. Instead of driving progress, this could result in a culture of caution, where developers hesitate to explore new possibilities. This risk could stifle creativity and lead to a slower pace of technological advancement, ultimately hindering progress in fields that could benefit society, such as healthcare, transportation, and environmental sustainability.

HB 589 has overly broad and ambiguous definitions

Additionally, the definitions included in HB 589 are overly broad, creating further confusion that will severely hinder progress. The terms “design,” “create,” and “capability of causing personal injury or death” are not clearly defined, leaving developers unsure of their legal responsibilities and how to navigate the law.

For example, imagine a company developing an AI system to optimize agricultural practices and improve crop yields in Maryland. The term “design” could be interpreted as covering not only the system as a whole but every individual algorithm involved. This ambiguity could cause unnecessary legal complexities that could slow down progress and make it harder for companies to bring new technologies to market.

Developers may avoid experimenting with new ideas, worried that any misstep, even one that is purely theoretical, could have severe legal consequences. Instead of pushing forward with new tools that could enhance healthcare or reduce environmental impact, they might hold back, stalling progress and depriving society of the benefits of these emerging technologies.

Rather than fostering a culture of accountability and innovation, HB 589 would create an atmosphere of fear and actively hinder the progress of technology that could have the potential to benefit all Marylanders.

For these reasons, **we urge you to oppose HB 589.**

Thank you,

Aden Hizkias
Policy Analyst