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Legislative District 24
Prince George's County

Ways and Means Committee

Subcommittees

Child Care

Gaming

Legislative Black Caucus of Maryland



The Maryland House of Delegates
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THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

Maryland General Assembly – 2026 Session

Testimony of Derrick L. Coley- District 24

Support of House Bill 1261

Good afternoon Honorable Chair Delegate Joseline Peña-Melnyk Valderrama, Honorable Vice Chair Delegate Lorig Charkoudian, and Esteemed Members of this Committee. **Thank you for the opportunity to present House Bill 1261.**

I respectfully submit this testimony in strong support of House Bill 1261.

House Bill 1261 establishes clear consumer protection standards for artificial intelligence-enabled companion toys marketed to children. The bill advances transparency, accountability, and responsible safeguards surrounding the collection and use of children's data. As emerging technologies become more integrated into family life, it is essential that Maryland provide a thoughtful statutory framework that prioritizes child safety while supporting innovation.

First, HB 1261 strengthens child safety protections in an evolving technological marketplace. Maryland has a long history of protecting children through strong consumer safety standards, enforcement of hazardous product recalls, and strict compliance with federal toy safety laws. AI-enabled toys introduce new categories of risk, including biometric data collection, persistent audio recording, algorithmic personalization, and simulated social attachment. These features warrant clear guardrails to ensure children are not exposed to preventable harm.

Second, the bill promotes transparency and informed parental decision-making. Maryland is home to more than 1.3 million children, representing nearly one in five residents of the State. National data shows nearly half of parents have purchased or considered purchasing an AI-enabled toy. Popular products currently on the market; including Miko 3, Kumma, Gabbo, Loona Robot Dog, and Roybi Robot; utilize artificial intelligence to engage children conversationally and, in some cases, collect user data. Parents deserve clear disclosures

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regarding data collection practices, biometric use, storage policies, and content safeguards so they can make informed choices for their families.

Third, HB 1261 establishes reasonable safeguards around sensitive data and emerging AI functionalities. Some AI companion toys use facial recognition technology, video recording capabilities, or adaptive learning systems that personalize responses based on user interaction. Children do not understand data retention policies. Children do not understand biometric identifiers. They do understand trust and attachment. When a product is marketed as a trusted companion or friend, the State has a responsibility to ensure appropriate consumer protections are in place.

Fourth, the legislation balances innovation with responsible governance. This bill does not apply to general household devices such as Amazon Echo, Apple iPad, Sony PlayStation 5, or Microsoft Xbox Series X. It does not regulate standard educational software or classroom learning management systems that are not marketed or designed as AI companion toys for children. Instead, HB 1261 narrowly focuses on products specifically designed to function as interactive AI companions for minors. This targeted approach encourages technological advancement while ensuring accountability where heightened risk exists.

Lastly, HB 1261 positions Maryland as a national leader in forward-looking consumer protection policy. We regulate cribs. We regulate car seats. We regulate lead paint. We do so because of prevention matters. By establishing transparency requirements and safeguards before widespread harm occurs, Maryland continues its tradition of proactive leadership in protecting children.

For these reasons, I respectfully urge a favorable report on House Bill 1261. This legislation represents a practical, balanced, and forward-looking step that protects Maryland families while supporting responsible innovation.

Thank you for your time and consideration.