

HB0952_RAINN_FAV.pdf

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Position: FAV



February 27, 2026

The Honorable Kriselda Valderrama
House Committee on Economic Matters
Room 230, Taylor House Office Building, 6 Bladen Street,
Annapolis, MD 21401-1912

Dear Chair Valderrama,

We are writing today in support of H.B.0952, which establishes new regulatory requirements for operators of “companion chatbots”—artificial intelligence (AI) systems designed to provide human-like, adaptive responses and sustain ongoing relationships with users for social interaction. The bill requires operators to implement, maintain, and publicly disclose protocols to prevent chatbots from presenting content related to self-harm, suicidal ideation, or suicide to users expressing such thoughts, and to prevent sexually explicit content from being produced or presented to minor users. We ask for your support in favor of this legislation to protect all children in the state of Maryland.

As you may be aware, RAINN is the nation’s largest anti-sexual assault organization. Founded in 1994, RAINN created and operates the National Sexual Assault Hotline (800.656.HOPE and rainn.org) and carries out programs to support victims, educate the public, improve public policy, and help companies and organizations improve the way they prevent and respond to sexual violence.

The negative impacts of AI chatbots to children’s safety are clear. Without safeguards, these systems may present sexually explicit material to minors or fail to respond appropriately when users express thoughts of self-harm or suicide. Studies show that exposure to explicit content can erode a child’s sense of boundaries and increase vulnerability to exploitation, while inadequate crisis intervention can leave young people without critical support during moments of distress.

That is why we were pleased to see H.B.0952 address the platforms that enable this abuse to occur. This bill will protect children and vulnerable users by requiring

RAINN

companion chatbot operators to implement safeguards against self-harm and sexually explicit content, provide crisis referrals, increase transparency, and ensure accountability.

Children and teenagers must be protected from the dangers of AI chatbots and social companions. We urge you to support H.B.0952 in your committee. Thank you for your continued leadership and for supporting victims of sexual violence in Maryland.

Sincerely,
Zoey Scheinblum-Brewer
Policy and Grassroots Coordinator

MPA Letter Testimony re MD HB 952 - 2026.02.25.pdf

Uploaded by: Renata Colbert

Position: FWA



MOTION PICTURE ASSOCIATION

February 27, 2026

Maryland House Committee on Economic Matters

Miller Senate Office Building

11 Bladen St.

Annapolis, Maryland 21401

Re: HB 952 – Artificial Intelligence Chatbots – Favorable With Amendments

Dear Members of the House Committee on Economic Matters:

On behalf of the Motion Picture Association, Inc. (“MPA”),¹ I am writing concerning HB 952 (the “Bill”), a bill concerning artificial intelligence chatbots, and to propose modest revisions to the definition of “companion chatbots.”

Like many companies, MPA’s members use chatbots in some customer service settings and in-house for business productivity purposes. Additionally, as this technology evolves, chatbots may be used in connection with film and television content—for instance, a tool that permits users to “chat” with a character to discuss an upcoming film premiere, or a visit to a theme park associated with the character. These business and/or limited-purpose chatbots do not present the same sort of concerns raised by stand-alone, wide-ranging, and pseudo-human interactions via true companion chatbots. As such MPA seeks amendments to ensure that these low-risk services are not swept into regulation unnecessarily.

Specifically, MPA seeks an amendment to the definition of “Companion Chatbot” as follows:

(3) (I) “COMPANION CHATBOT” MEANS AN ARTIFICIAL INTELLIGENCE SYSTEM ~~WITH A NATURAL LANGUAGE INTERFACE THAT PROVIDES ADAPTIVE, HUMAN LIKE RESPONSES TO USER INPUTS AND IS CAPABLE OF MEETING A USER’S SOCIAL NEEDS, INCLUDING BY EXHIBITING ANTHROPOMORPHIC FEATURES AND BEING ABLE TO SUSTAIN A RELATIONSHIP ACROSS MULTIPLE INTERACTIONS.~~ DESIGNED TO STIMULATE A SUSTAINED HUMAN OR HUMAN-LIKE RELATIONSHIP WITH A USER BY:

¹ The MPA serves as the global voice and advocate of the motion picture, television, and streaming industries. It works in every corner of the globe to advance the creative industry, protect its members’ content across all screens, defend the creative and artistic freedoms of storytellers, and support innovative distribution models that expand viewing choices for audiences around the world. The MPA’s member studios are Netflix Studios, LLC; Paramount Pictures Corporation; Prime Amazon MGM Studios; Sony Pictures Entertainment Inc.; Universal City Studios LLC; Walt Disney Studios Motion Pictures; and Warner Bros. Entertainment, Inc.

- A. RETAINING INFORMATION ON PRIOR INTERACTIONS OR USER SESSIONS AND USER PREFERENCES TO PERSONALIZE THE INTERACTION AND FACILITATE ONGOING ENGAGEMENT WITH THE AI COMPANION;*
- B. ASKING UNPROMPTED OR UNSOLICITED EMOTION-BASED QUESTIONS THAT GO BEYOND A DIRECT RESPONSE TO A USER PROMPT; AND*
- C. SUSTAINING AN ONGOING DIALOGUE CONCERNING MATTERS PERSONAL TO THE USER.*

(II) “COMPANION CHATBOT” DOES NOT INCLUDE:

1. A BOT THAT IS USED BY A BUSINESS ENTITY ONLY FOR CUSTOMER SERVICE, TECHNICAL ASSISTANCE, BUSINESS ANALYTICS, OR INTERNAL RESEARCH;

2. A BOT THAT:

A. IS ~~A FEATURE OF~~ DIRECTLY RELATED TO A VIDEO GAME, MOTION PICTURE, TELEVISION PROGRAM, STREAMING PROGRAM OR OTHER AUDIOVISUAL WORK, OR THEME PARK OR LOCATION-BASED EXPERIENCE, INCLUDING A COMBINATION OF ANY SUCH WORKS AND EXPERIENCES;

B. IS LIMITED TO REPLIES RELATED TO THE AUDIOVISUAL WORK, THEME PARK OR LOCATION-BASED EXPERIENCE ~~VIDEO GAME~~; AND

C. DOES NOT SHARE CONTENT RELATED TO MENTAL HEALTH, SELF-HARM, SUICIDAL IDEATION, SUICIDE, OR SEXUALLY EXPLICIT CONDUCT; OR

3. A CONSUMER ELECTRONIC DEVICE THAT:

A. FUNCTIONS AS A SPEAKER AND A VOICE COMMAND INTERFACE;

B. ACTS AS A VOICE-ACTIVATED VIRTUAL ASSISTANT;

C. DOES NOT SUSTAIN A RELATIONSHIP ACROSS MULTIPLE INTERACTIONS; AND

D. DOES NOT GENERATE OUTPUTS THAT ARE LIKELY TO ELICIT EMOTIONAL RESPONSES FROM THE USER.

A definition like the above would ensure that the Bill regulates the true “human-like” companion chatbot services that are most likely to be associated with the sorts of content and harm contemplated by the Bill.

MPA is available to discuss this Bill and potential language to address these concerns at your convenience. Please contact Renata Colbert (Renata_Colbert@motionpictures.org) or Nick Manis (nmanis@maniscanning.com) with any questions about the Bill or MPA’s proposed amendments.

Sincerely,
Renata Colbert
Director, State Government Affairs, MPA

TestimonyinSupport_AICompanion_0.952_S.Hughes_03.0

Uploaded by: Sabina Hughes

Position: FWA



Established 1962

Written Testimony of Sabina Hughes, Policy Fellow

National Center on Sexual Exploitation
1201 F St NW, Washington, D.C. 20004

Testimony in Favor of MD H.B. 0952, Consumer Protection - Companion Chatbots - Regulation

Maryland General Assembly, Economic Matters Committee

March 3, 2026

Members of the Committee,

My name is Sabina Hughes, and I am a Public Policy Fellow with the National Center on Sexual Exploitation. I am pleased to share NCOSE's conditional support for provisions of HB 0952.

AI chatbots have become deeply embedded in young people's lives. In fact, 3 out of 4 teens reported using them in 2025. While this technology can offer certain benefits, it has also been linked to devastating and life-altering harms. There have been documented instances of AI chatbots encouraging children to engage in self-harm, promoting risky sexual behavior, and even pushing children to commit suicide.¹ These risks require immediate legislative action.

H.B. 0952 largely addresses the multitude of harms caused by chatbots, which have been deployed by tech companies with little to no oversight or accountability.² NCOSE supports the sentiment of H.B. 0952; however, we would like to provide several recommendations to strengthen the child protection aspect of it.

This bill includes several long-overdue safeguards, such as requiring AI companions to disclose to users that they are interacting with a non-human system and establishing penalties for non-compliance and risky conduct. These provisions move us towards meaningful and actionable legislation.

After review by NCOSE's legal counsel, **we urge the legislature to clarify the bill's text in these three areas to strengthen the bill:**

1. **That AI chatbots are products.** This distinction would allow harmed individuals to pursue civil remedies under the established product liability principles. Without it, companies will continue to evade accountability for foreseeable harms caused by their AI systems.
2. **To limit data collection on minors.** The provider would have to collect data from chats in order to know whether it needs to report a conversation to a mental health provider.
3. **Strengthen parental control for AI chatbots.**

This bill rightly holds developers accountable for developing dangerous AI companions. However, we ask that you please strengthen the bill by clarifying that AI Chatbots are products. Maryland now has an opportunity to lead by ensuring that tech companies prioritize safety, accountability, and transparency over profit.

Thank you for your attention and consideration.

¹ N/A. (2025). "CSM AI Risk Assessment: Social AI Companions". Common Sense Media.

https://www.common sense media.org/sites/default/files/pug/csm-ai-risk-assessment-social-ai-companions_final.pdf

² N/A. (n.d.). "People-First Chatbot Bill". Epic. https://epic.org/people-first-chatbot-bill/#:~:text=The%20People%20First%20Chatbot%20Bill%20is%20a%20model,can%20provide%20qualified%20medical%20or%20legal%20advice**

Chamber of Progress_MD HB 952_Oppose.pdf

Uploaded by: Brianna January

Position: UNF



March 3, 2026

The Honorable Kriselda Valderrama
Chair
House Economic Matters Committee
Taylor House Office Building, Room 362
6 Bladen Street Annapolis, MD 21401

RE: Oppose HB 952 - Consumer Protection – Companion Chatbots – Regulation

Dear Chair Valderrama and members of the Committee:

On behalf of Chamber of Progress, a tech industry association supporting public policies to build a society in which all people benefit from technological advances, **I respectfully urge you to oppose HB 952**, which would broadly restrict AI chatbot tools in ways that risk limiting access to proven educational resources and responsibly deployed learning supports.

HB 952's definition of "companion chatbot" is broad enough to capture low-risk and educational AI tools

HB 952 defines a "companion chatbot" as an AI system with a natural language interface that provides adaptive, human-like responses and is "capable of meeting a user's social needs, including by exhibiting anthropomorphic features and being able to sustain a relationship across multiple interactions." While the bill excludes customer service bots, video game bots, and voice-activated virtual assistants, these carveouts are narrow and leave out a wide range of low-risk and educational tools that were not the apparent focus of legislative concern.

For example, an AI tutor that asks follow-up questions to help a student solve a math problem, or a language-learning chatbot that practices conversational skills across sessions, could fall within the bill's scope. These tools use natural language interfaces, provide adaptive responses, and sustain relationships across multiple interactions. If a student develops a sense of rapport with an AI learning companion, a regulator could reasonably argue the tool is "capable of meeting a user's social needs," even if that was never its primary purpose.

This is particularly concerning given that a 2025 peer-reviewed meta-analysis of 62 studies found that chatbots generally have a positive effect on learning performance, especially in STEM subjects, at lower educational levels, and when used over longer durations.¹ Recent survey data reinforces this point: just over half of U.S. teens report using chatbots for help with schoolwork, and more teens say they think AI will be positive for them than negative.² Overinclusive definitions risk curtailing tools that independent research shows are supporting student learning outcomes and that young people are already using productively.

At minimum, the bill should clarify that AI features embedded within a broader service or application that is not itself a companion chatbot, such as a writing assistant with conversational memory or a productivity tool that adapts to user input, fall outside the definition's scope.

HB 952 effectively pushes AI services toward age verification and increased data collection

HB 952 conditions several obligations on whether a provider "knows or reasonably should know" a user is a minor, including requirements to block sexually explicit content³ and to display usage-time warnings after three hours of consecutive use.⁴ Although the bill does not explicitly require age verification, it places age determination at the center of compliance. Operators that cannot distinguish minors from adults face enforcement risk under the Maryland Consumer Protection Act for failing to apply minor-specific protections. In practice, that means more age gates, age screening, or identity checks for all users.

There are a number of other concerns with pushing services toward age verification. Strict age verification that confirms a user's age without collecting additional personally identifiable information is not technically feasible while still respecting users' rights, privacy, and security.⁵ This approach threatens online privacy for everyone. To avoid legal risk, companies would be incentivized to collect age or identity information from all users, increasing data collection rather than reducing it.

As a result, providers are likely to collect additional personal information to distinguish minors from adults, including behavioral profiling or identity-based checks requiring

¹ Martin Laun and Fabian Wolff. *Chatbots in education: Hype or help? A meta-analysis*. ScienceDirect, Apr. 2025. <https://www.sciencedirect.com/science/article/pii/S1041608025000226>

² Pew Research Center. "How Teens Use and View AI." Feb. 24, 2026.

<https://www.pewresearch.org/internet/2026/02/24/how-teens-use-and-view-ai/>

³ HB 952, Section 14-1330(C).

⁴ HB 952, Section 14-1330(E).

⁵ Sarah Forland et al. *Age Verification: The Complicated Effort to Protect Youth Online*. Open Technology Institute, New America, Apr. 22, 2024.

<https://www.newamerica.org/oti/reports/age-verification-the-complicated-effort-to-protect-youth-online/>

sensitive government documents. This shifts AI services away from privacy-preserving, data-minimizing design and toward systems that retain more user data than would otherwise be necessary.

The Committee should consider a more deliberate approach to companion chatbot regulation

HB 952 addresses legitimate concerns, but companion chatbot regulation is a novel and fast-moving area where prescriptive requirements risk locking in rules that do not reflect the state of the technology. The General Assembly established an AI Working Group last session that has not yet had the opportunity to convene and study these issues. The Committee should consider allowing the Working Group to develop informed recommendations before advancing detailed compliance mandates. If the bill does move forward, aligning its framework more closely with California's companion chatbot law, which HB 952 appears to be modeled on, would reduce compliance fragmentation for operators serving users across multiple states and give Maryland the benefit of an already-tested approach.

For these reasons, **I respectfully urge you to oppose HB 952.** By sweeping in low-risk educational uses and discouraging responsible innovation, the bill would reduce access to tools that independent research and real-world usage show are helping students learn and succeed, without meaningfully improving safety.

Sincerely,

A handwritten signature in black ink, appearing to read "Brianna January". The signature is fluid and cursive, with the first name being more prominent.

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

PDF_[MD] HB 952_chatbots_TechNet.pdf

Uploaded by: margaret durkin

Position: UNF

February 27, 2026

The Honorable Kris Valderrama
Chair
House Economic Matters Committee
Maryland House of Delegates
231 Taylor House Office Building
6 Bladen Street
Annapolis, MD 21401

RE: HB 952 (Buckel) - Consumer Protection - Companion Chatbots – Regulation – Unfavorable

Dear Chair Valderrama and Members of the Committee,

On behalf of TechNet, I'm writing to share comments on HB 952.

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 103 dynamic American businesses ranging from startups to the most iconic companies on the planet and represents five 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 and its member companies are committed to providing a safe experience for children and adults using their products online. Conceptually we agree with the intent of this bill: to create strong, sensible guardrails for children using AI companion chatbots. However, we have concerns about the bill in its current form.

We believe the bill could be strengthened by clarifying some of its definitions. For the definition of "Artificial Intelligence", we suggest the following language from the Organization for Economic Co-operation and Development's (OECD) November 2023 definition of AI:

- "Artificial intelligence" means a machine-based system that, for explicit or implicit objectives, infers, from the input it receives, how to generate outputs such as predictions, content, recommendations, or decisions that can influence physical or virtual environments. Different AI systems vary in their levels of autonomy and adaptiveness after deployment.

For the definition of "Companion Chatbot", we suggest the following definition from New York Budget [S3008 Part U](#) that outlines that the primary purpose of an AI

companion is to provide companionship, in addition to social, emotional, caregiving, or therapeutic support or uses. We appreciate the sponsor including exemptions in the definition already for consumer electronic device at (3)(A-D), as well as other exemption elements in (1) and (2)(A-C), and encourage the sponsor to leave them in the legislation; however, we are requesting additional exemptions and the changes listed below.

- "Companion Chatbot" means a system using artificial intelligence, generative artificial intelligence, and/or emotional recognition algorithms designed to simulate a sustained human or human-like relationship with a user by:
 - (i) retaining information on prior interactions or user sessions and user preferences to personalize the interaction and facilitate ongoing engagement with the AI companion;
 - (ii) asking unprompted or unsolicited emotion-based questions that go beyond a direct response to a user prompt; and
 - (iii) sustaining an ongoing dialogue concerning matters personal to the user.

Human relationships include, but shall not be limited to, intimate, romantic or platonic interactions or companionship. "Companion Chatbot" shall not include:

1. A BOT THAT IS USED BY A BUSINESS ENTITY ONLY FOR CUSTOMER SERVICE, **or to strictly provide users with information about available commercial services or products provided by the business entity, customer service account information or other information strictly related to the business entity's customer service, A system that is primarily designed and marketed for providing efficiency improvements, internal research or** TECHNICAL ASSISTANCE, BUSINESS ANALYTICS, ~~OR~~ INTERNAL RESEARCH, **internal use, or employee productivity.**
2. Add after sexually explicit conduct: **or maintain a dialogue on other topics unrelated to the video game.**

Moreover, in our view, requiring these types of models to periodically remind a user that it is AI, and not human, is unnecessary.

This bill also raises concerns around compelled speech that may infringe upon the First Amendment. Section (D)(2) requires an operator to disclose to all users that the companion chatbot might not be suitable for "some minors". The government may have a compelling interest to share this information; however we need to ensure that definitions are narrowed to the most harmful chatbots.

Finally, HB 952 provides for a private right of action (PRA). We believe that PRAs lead to frivolous lawsuits and only benefit a subset of industry operating in the litigation space. We believe that any enforcement should rest solely with the Attorney General.

For the reasons stated above, TechNet is opposed to HB 952 in its current form.
Please don't hesitate to reach out with any questions.

Sincerely,

Margaret Durkin

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

CCIA Comments on MD HB 952.pdf

Uploaded by: Megan Stokes

Position: UNF



March 3, 2026

House Economic Matters Committee
Attn: Joy Jones
230 Taylor House Office Building
Annapolis, MD 21401

**Re: HB 952 - "Consumer Protection - Companion Chatbots - Regulation"
(Oppose Unless Amended)**

Dear Chair Valderrama and Members of the House Economic Matters Committee:

On behalf of the Computer & Communications Industry Association (CCIA), I write to respectfully oppose HB 952 as currently drafted and to urge adoption of the attached redline amendments. CCIA is an international, not-for-profit trade association representing a broad cross-section of communications and technology firms.¹ Proposed regulations on the intrastate provision of digital services, therefore, can have a significant, nationwide impact on CCIA members.

CCIA firmly believes that children are entitled to security and privacy online. Our members have designed and developed parental tools to individually tailor younger users' online use to their developmental needs. For example, various services allow parents to set time limits, provide enhanced privacy protections by default for known child users, and other tools allow parents to block specific sites entirely.

CCIA supports thoughtful, evidence-based approaches to protecting minors and addressing mental health risks online. However, HB 952 in its current form creates substantial legal uncertainty and implementation challenges. The enclosed amendments are designed to preserve the bill's intent while making it workable, constitutionally sound, and appropriately scoped.

HB 952's definition of "companion chatbot" must be narrowed.

The bill's current definition of "companion chatbot" is overly broad and risks sweeping in general-purpose AI tools, productivity applications, internal business AI tools, and interactive services that are not designed as emotional companions. Our redlines narrow the definition to AI systems specifically designed or marketed to simulate companionship or emotional relationships. This clarification ensures the legislation targets the intended category of products rather than unintentionally regulating a wide range of unrelated technologies.

As AI evolves rapidly, it is crucial to find a balance in regulation to ensure the rules are not so rigid that they hinder innovation and U.S. competitiveness. Achieving this kind of balance requires thoughtful and adaptable legislation that is informed by the principles of responsible

¹ For more than 50 years, CCIA has promoted open markets, open systems, and open networks. CCIA members employ more than 1.6 million workers, invest more than \$100 billion in research and development, and contribute trillions of dollars in productivity to the global economy. A list of CCIA members is available at <https://www.ccianet.org/members>.



AI and can be applied across many different contexts. Rather than imposing overly detailed and narrowly tailored rules, the focus must be on establishing frameworks that enable the design of AI systems and allow them to serve society’s best interests. In the absence of a single federal framework regulating AI, any single state’s efforts to implement broad regulation would likely place a state like Maryland at a competitive disadvantage by inhibiting the use of new technologies to further growth, while other states may not implement such obstacles.

The bill should require actual knowledge.

HB 952 imposes heightened obligations for “minor users” without clearly defining when an operator is deemed to know a user is a minor. There is no guidance on what would constitute a service to “reasonably should know [a user] is a minor.” Determining whether a “user” is a “minor” (which the bill does not define), could entail expensive, privacy-invasive age assurance, or default all users to a limited experience. Our amendments clarify that the bill’s obligations apply where an operator has actual knowledge of a minor’s status. This aligns the bill with existing online safety laws and avoids imposing strict liability where age is unknown or unverifiable.

Mandating state-specific resources raises privacy concerns.

While well-intended, prescribing state-specific resources may inadvertently create technical challenges with geolocation accuracy, privacy, and verification of state-specific tools. Such mandates inevitably require that covered operators track users’ locations. This requirement, therefore, effectively mandates location-based tracking of minors’ devices, thus undermining the privacy of the very population the bill is designed to protect. We therefore recommend amending the bill to require a referral to a “suicide hotline or crisis text line” or by allowing operators to direct users to the 998 line or the Maryland Behavioral Health Crisis Response System. This would allow for flexibility without collecting location information from vulnerable users.

HB 952’s enforcement scope must be clarified.

The proposed amendments would appropriately limit enforcement to the Attorney General, which would significantly address concerns regarding abuse under a private right of action. As currently written, HB 952 states a violation of this section is “an unfair, abusive, or deceptive trade practice” and “subject to the enforcement and penalty provisions contained in” the Maryland Consumer Protection Act, which contains a private right of action. Creating a new private right of action would open the doors of state courthouses to plaintiffs advancing frivolous claims with little evidence of actual injury. As lawsuits prove extremely costly and time-intensive, it is foreseeable that these costs would be passed on to individuals in Maryland, disproportionately impacting smaller businesses and startups across the state.²

* * * * *

² Trevor Wagener, *State Regulation of Content Moderation Would Create Enormous Legal Costs for Platforms*, Broadband Breakfast (Mar. 23, 2021), <https://broadbandbreakfast.com/trevor-wagener-state-regulation-of-content-moderation-would-create-enormous-legal-costs-for-platforms/>.



Taken together, these amendments preserve the bill's core objectives while ensuring the framework is targeted, enforceable, and consistent with constitutional and technical realities.

CCIA appreciates the Committee's leadership on these important issues and stands ready to work collaboratively to refine HB 952. We respectfully urge the Committee to adopt the attached amendments or, absent such changes, oppose the bill.

Sincerely,

Megan Stokes
State Policy Director
Computer & Communications Industry Association

HB 952 Letter - Oppose.pdf

Uploaded by: Taylor Dickerson

Position: UNF



February 27, 2026

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House Economic Matters Committee
230 Taylor House Office Building
231 Taylor House Office Building
Annapolis, Maryland 21401

RE: HB 952 Consumer Protection – Companion Chatbots – Regulation

Position: OPPOSE

Dear Chair Valderrama, Vice Chair Charkoudian, and Members of the Committee:

The Maryland Psychological Association, (MPA), which represents over 1,000 doctoral level psychologists in the state, asks the House Economic Matters Committee to **provide an UNFAVORABLE report on HB 952.**

The Maryland Psychological Association respectfully opposes **House Bill 952**, which seeks to regulate “companion chatbots” by imposing broad consumer protection requirements and operational mandates. While the bill is well-intentioned in its effort to reduce risks related to self-harm and protect minors, the proposed framework is overly expansive, technologically impractical, and likely to produce unintended consequences that may limit access to beneficial digital mental health tools. The bill defines companion chatbots broadly as artificial intelligence systems capable of meeting users’ social needs and sustaining relationships across interactions, thereby capturing a wide range of emerging digital supports and therapeutic technologies without sufficient distinction between clinical, educational, and general consumer applications.

HB 952 also requires operators to implement protocols preventing chatbots from presenting content related to self-harm when users express such thoughts and to use “evidence-based methods” to detect suicidal ideation, while imposing enforcement penalties under the Maryland Consumer Protection Act. However, accurately identifying and responding to complex mental health expressions through automated systems remains an evolving scientific challenge. While mandating undefined “evidence-based” detection methods and strict intervention protocols seems protective, these terms are undefined and there is simply no “evidence-based” detection method currently available.

Finally, the bill’s regulatory structure may duplicate or conflict with existing professional, clinical, and federal oversight frameworks while placing responsibility for mental health risk assessment on technology providers rather than qualified health professionals. By imposing rigid operational requirements and annual reporting mandates, the legislation risks appearing to ensure safety through some required paper-based compliance despite the fact that there are no meaningful user safety outcomes.

For these, and many other reasons, the Maryland Psychological Association respectfully urges the Committee to provide an **Unfavorable Report on House Bill 952**. If we can provide any additional information or be of any assistance, please do not hesitate to contact the Chair of MPA’s Legislative Committee, Dr. Stephanie Olarte, at mpalegislativcommittee@gmail.com.

Respectfully submitted,

Stephanie Wolf, JD, Ph.D.
Stephanie Wolf, JD, Ph.D.
President

Stephanie Olarte, Ph.D.
Stephanie Olarte, Ph.D.
Chair, MPA Legislative Committee

cc: Barbara Brocato & Dan Shattuck, MPA Government Affairs

HB0952_LOI_MTC_Consumer Protection - Companion Cha

Uploaded by: Drew Vetter

Position: INFO



House Economic Matters Committee

March 3, 2026

House Bill 952 – *Consumer Protection – Companion Chatbots – Regulation*

LETTER OF INFORMATION

The Maryland Tech Council (MTC), with over 800 members, is the State’s largest association of technology companies. Our vision is to propel Maryland to be the country’s number one innovation economy for life sciences and technology. MTC brings the State’s life sciences and technology communities into a single, united organization that empowers members to achieve their goals through advocacy, networking, and education. On behalf of MTC, we submit this **letter of information** on House Bill 952.

The MTC supports the intent of this bill, which is to protect users from engaging in harmful behaviors resulting from interactions with an artificial intelligence (AI) system and to protect minors from inappropriate content. Over the last several years, dozens of bills have been introduced addressing specific use cases for AI technology. The number of new policy proposals in this emerging, constantly evolving area led the MTC to draft an “Artificial Intelligence Policy Statement” in 2024. We have attached that policy to today’s testimony. We would like to draw attention to one item from our policy platform, which is that “Any new requirements must be clear and specific. Overly broad requirements make it difficult for the industry to evaluate the impact and comply with.” Another component of our policy platform is that “Consideration should always be given to smaller and medium-sized local businesses when AI laws or regulations are being adopted.”

We note that this bill is drafted to apply broadly to all AI systems and tools. The MTC understands that the context of this bill is part of a growing legislative interest in ensuring that AI systems, especially those that could influence mental health or interact with minors, have safety and transparency guardrails. We note that several other states have addressed this issue. Consistent with the MTC’s policy platform, we encourage the bill sponsor and committee to look to other state laws as a guide to ensure a consistent approach across states and make it less burdensome for smaller, locally based AI firms to comply. Regarding the focus of this bill, the MTC notes that it bears similarities to a bill enacted last year in California and would encourage the committee to align this bill more closely with the law already in effect.

We also wanted to comment on the private right of action that is included in the bill. MTC’s member companies are always concerned when consumer protection bills include a private right of action, which makes businesses wary of liability when operating in Maryland. This is of particular concern to our ecosystem of smaller, Maryland-based companies and becomes a factor when considering continued investment in innovation within the state. In conclusion, we support this bill in principle but encourage the committee to model this legislation on laws already enacted in other states and to review its components with Maryland’s small and medium-sized businesses in mind.

For more information call:

Andrew G. Vetter

J. Steven Wise

Danna L. Kauffman

Christine K. Krone

410-244-7000



Maryland Tech Council

Artificial Intelligence Policy Statement

The continued development and adoption of artificial intelligence (AI) has the potential to transform many aspects of society and our daily lives, from how we interact online to education, e-commerce, healthcare delivery, finance, and many other applications. The Maryland Tech Council (MTC) is optimistic about the promise of AI to be a force of good and positive societal change. However, MTC is clear that adoption of AI carries risks that must be considered by innovators and policymakers. Elected leaders, regulators, and the private sector must work together to ensure that the use of AI is safe, ethical, responsible, and trustworthy. We must protect against unintended harms such as bias and disproportionate impact on marginalized communities.

The promise and risks inherent in the adoption of AI has policymakers at the federal, state, and local levels of government considering laws, regulations, and other measures to examine the complex issues presented above. As such, the MTC has developed a set of factors to be considered by policymakers and regulators when considering new efforts to govern the use and adoption of AI.

- Ensure broad representation of industry sectors on new commissions and boards. There are different use cases and impacts depending on sector, be it healthcare, finance, education, etc. To the extent these impacts are being regulated, policymakers should bring subject matter experts and stakeholders into the discussion.
- Policymakers are considering various new assessments or certifications of AI tools. Any new requirements must be clear and specific. Overly broad requirements make it difficult for industry to evaluate impact and comply with. Consider using risk assessment standards and practices that already exist, such as the NIST AI Risk Management Framework.
- Be mindful in defining new terms, ensuring that there are not multiple definitions of the same or similar terms and that there is not conflict with Federal definitions. Strive for consistency with other states so as not to have a patchwork of laws from state to state. Avoid creating overly broad discretion of terms that subject companies to liability such as the definition of a harmful or high-risk action or impact.
- Special deliberation should occur around the challenges and opportunities presented by Open Source AI. Open Source AI is critical to the democratization of AI technologies beyond a few massive technology providers. Yet, Open Source AI systems must be rigorously reviewed and assessed from a security perspective. Policy leaders should consult with the private sectors to ensure an understanding of the benefits of Open Source AI while providing reasonable expectations to securing these platforms.

- The implications on the workforce must be incorporated into AI policy discussions. A majority of companies lack enough skilled employees for future growth. AI developers, learning institutions, training programs, and prospective workers must coordinate to ensure we have an AI-ready workforce.
- Consideration should always be given to smaller and medium sized local businesses when new AI laws or regulations are being adopted. Far too often, these laws are considered with only the largest technology companies in mind, when smaller and locally based businesses are impacted just the same. Often, these smaller companies lack the resources to quickly adapt and comply with complex new laws.
- Enforcement mechanisms must be calibrated to be consistent with the level of risk that AI solutions present, especially in cases where there is a new risk created by AI that is not already addressed. Liability and enforcement standards should be thoughtful and proportionate, with an emphasis on compliance over being punitive. Distinctions between 3rd party services, technology providers, and end-users should be accounted for, as well as recognition of good faith efforts to develop technology that evolves and improves over time.

HB 952 CPD Letter of Information.pdf

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Position: INFO

CAROLYN A. QUATTROCKI
Chief Deputy Attorney General

LEONARD J. HOWIE III
Deputy Attorney General

CARRIE J. WILLIAMS
Deputy Attorney General

SHARON S. MERRIWEATHER
Deputy Attorney General

ZENITA WICKHAM HURLEY
Deputy Attorney General



STATE OF MARYLAND
OFFICE OF THE ATTORNEY GENERAL
CONSUMER PROTECTION DIVISION

ANTHONY G. BROWN
Attorney General

WILLIAM D. GRUHN
Division Chief

PHILIP ZIPERMAN
Deputy Division Chief

PETER V. BERNS
General Counsel

CHRISTIAN E. BARRERA
Chief of Staff

HANNA ABRAMS
Assistant Attorney General

March 3, 2026

TO: The Honorable Kriselda Valderrama, Chair
Economic Matters Committee

FROM: Hanna Abrams, Assistant Attorney General

RE: House Bill 952 – Consumer Protection – Companion Chatbots –
Regulation (LETTER OF INFORMATION)

The Consumer Protection Division of the Office of the Attorney General (the “Division”) submits this letter of information regarding House Bill 952 (“HB 952”). House Bill 952 regulates artificial intelligence chatbots.

The Division recommends replacing cross reference to the State Finance and Procurement Article¹ in the definition of “artificial intelligence” (page 2, line 13-14), with a cross reference to the Insurance Code’s definition (MD Code Ann., Ins. Law, § 15-10B-05.1). The existing definition does not clearly encompass systems whose primary function is content generation or other original outputs because it is limited to “predictions, recommendations, or decisions.” Although content generation may be, from a technical perspective, a form of prediction, that characterization is not apparent from the term’s ordinary meaning. Second, by restricting objectives to those that are “human-defined,” the definition does not clearly encompass implicit objectives—goals not explicitly coded but learned from data or inferred from behavior. The definition found in the Insurance Code addresses both of these concerns.

The Division asks the Economic Matters Committee to amend the definition of artificial intelligence as discussed when it considers HB 952.

Cc: Delegate Jason C. Buckel
Members, Economic Matters Committee

¹ Md. Code Ann., State Fin. And Proc. § 3.5–801 reads: (c) “Artificial intelligence” means a machine–based system that: (1) can, for a given 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.

HB 952- ECM-MDH - LOI (1).pdf

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Position: INFO



DEPARTMENT OF HEALTH

Wes Moore, Governor · Aruna Miller, Lt. Governor · Meena Seshamani, M.D., Ph.D., Secretary

March 3, 2026

The Honorable Kriselda Valderrama
Chair, Economic Matters Committee
231 Taylor House Office Building
Annapolis, Maryland 21401

RE: House Bill 952—Consumer Protection - Companion Chatbots - Regulation —Letter of Information

Dear Chair Valderrama and Committee Members,

The Maryland Department of Health (the Department) respectfully submits this letter of information to House Bill (HB) 952 – Consumer Protection – Companion Chatbots – Regulation. HB 952 would require the operators of companion chatbots - defined as an artificial intelligence (AI) system that provides “human-like responses” to users and is capable of meeting a user’s needs by “exhibiting anthropomorphic features”, to establish, maintain, and publish certain protocols and provide certain information to users. Operators of such chatbots would be required to (1) create and publish safety protocols that prevent it from producing or presenting content concerning self-harm, suicidal ideation, or suicide to a user who expresses thoughts of self-harm or suicidal ideation; (2) notify and refer users who express such thoughts to crisis services including 9-8-8 and the Maryland Behavioral Health Crisis Response System; (3) prohibit the production or presentation of sexually explicit content to minors; (4) clearly display warning labels to users and notifications to minors after prolonged use; and (5) produce reports for the Office of Suicide Prevention (OSP), within the Behavioral Health Administration (BHA), that would be assembled into an annual report to the General Assembly. Violations of these requirements would be enforced under the Maryland Consumer Protection Act.

Although the Department shares the legislature's goal of protecting Marylanders, including vulnerable minors, from potential risks related to emerging technologies such as companion chatbots, as currently proposed, HB 952 places responsibilities on OSP that fall outside its core mission and expertise. OSP was created to focus on suicide prevention strategies, crisis intervention, data-driven public health initiatives, and community-based supports. OSP is not structured, staffed, or authorized to oversee reporting by operators of AI chatbots; it has no expertise in determining corporate compliance with the standards proposed in this bill. HB 952 would effectively require OSP to build and manage a new oversight program for AI chatbot operators, likely via regulation.

In addition, as currently proposed, the bill does not provide OSP with the enforcement authority to require chatbot operators in Maryland, the wider United States, or those owned and operated outside the country to report data; there is no infrastructure or registration system against which OSP could verify the existence of chatbots to ensure reporting is complete, let alone accurate. As a result, OSP has no way to determine whether the reports to the General Assembly required by this bill would be complete, accurate, and timely. Publishing unverified reports could give the appearance of veracity for incomplete, inaccurate, or even fraudulent information.

Finally, the bill does not include funding to support these new responsibilities. Establishing a regulatory reporting and oversight system of this scope would require dedicated staff, technical infrastructure, and ongoing administrative support. As written, HB 952 would require three new staff and \$400,000 annually.

We support thoughtful discussions about how to address the risks and opportunities presented by AI. If you would like to discuss this further, please do not hesitate to contact Meghan Lynch, Director of Governmental Affairs at meghan.lynch@maryland.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Meena Seshamani', is positioned above the typed name.

Meena Seshamani, MD, PhD
Secretary of Health