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Education, Energy, and
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Chair, Joint Committee on
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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Testimony in Support of SB827 - Consumer Protection and Product Liability - Chatbots

March 10, 2026

Chair Beidle, Vice Chair Hayes, and members of the Finance Committee:

Thank you for your consideration of Senate Bill 827, the “Curbing Harmful AI Technology Act,” which expands product liability statutes to include Artificial Intelligence (AI) products defined as “chatbots,” and create meaningful protections for users, particularly minors.

Marylanders, like all Americans, are engaging with chatbot systems on a regular basis. These chatbot systems are not simple search engines; they are intentionally designed to be personable and engaging to maximize use. ChatGPT, an extremely popular chatbot, prompts users upon login to choose from a selection of “personalities,” including “friendly,” “nerdy,” and “cynical.”¹ It is remarkably easy for users to become absorbed and feel as though they are talking to a friend or confidant. This can create a sense of trust that prevents them from being careful with their private information or even remembering that the system they are interacting with is non-human.

Minor users are especially vulnerable to this illusion. Already, 42% of adolescents who use chatbots say they use them for companionship rather than for schoolwork or information gathering. A December 2025 study by the Pew Research Center reports that 68% of teens ages 15 to 17 use chatbots, and nearly one-third of teens across age groups say they use a chatbot every day.² When our youth are conversing with AI chatbots more often than with their friends, the need for regulation is not just present; it is overdue. Already, there have been documented cases of harm caused to teenagers by chatbots. Please see the provided [handout](#) for additional details.

SB827 addresses this critical issue by establishing clear, enforceable standards for how chatbots may be designed and deployed in Maryland. With similarities to the Federal Trade Commission's

¹ <https://help.openai.com/en/articles/11899719-customizing-your-chatgpt-personality>

² <https://www.pewresearch.org/internet/2025/12/09/teens-social-media-and-ai-chatbots-2025/>

inquiry into the practices of several AI companies, SB 827 is not anti-technology.³ It is pro-transparency, pro-accountability, and pro-consumer protection.

Specifically, the bill:

1. Requires affirmative consent from consumers before their personal data may be used for training purposes, including input data;
2. Prohibits chatbots from using a consumer's data to profile them or provide customized advertisements;
3. Establishes enhanced safeguards for minor users under 13 by prohibiting the use of their personal data without verified parental consent;
4. Prohibits harmful or misleading chatbot practices, such as the provision of unlicensed medical, legal, or financial advice; and
5. Creates clear accountability mechanisms by requiring the Attorney General's office to promulgate regulations and authorizing them to bring an action seeking declaratory relief, and authorizing affected individuals to seek an injunction, declaratory relief, or damages.

Momentum is building in other states to bring about this type of legislation. Excessive chatbot usage presents a severe and growing problem, not just in Maryland but nationwide. Currently, 82 chatbot-related bills are under consideration across the United States. Yet despite the prevalence of harm and widespread concern, the federal government has not taken meaningful steps to address this issue. This leaves it to states like Maryland to guard residents from the risks associated with chatbots.

SB827 is a crucial step in ensuring the safety and accountability of AI chatbots. By updating Maryland's product liability laws to include chatbots and establishing safety guardrails to protect user data and consumer safety, this legislation helps ensure that Marylanders, especially our youth, are not exploited for their data by misleading chatbot systems. It is critical that we take proactive measures to address one of the most prominent technological risks of our time, protect our vulnerable children, and responsibly adapt to ongoing technological advancements.

For these reasons, I respectfully request a favorable report on SB827.

Sincerely,



Senator Katie Fry Hester
Howard and Montgomery Counties

³www.ftc.gov/news-events/news/press-releases/2025/09/ftc-launches-inquiry-ai-chatbots-acting-companions