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Education, Energy, and  
Environment Committee

Chair, Joint Committee on  
Cybersecurity, Information Technology  
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**THE SENATE OF MARYLAND**  
ANNAPOLIS, MARYLAND 21401

**Testimony in Support of SB 8 - Criminal Law – Identity Fraud – Artificial Intelligence and Deepfake Representations**

January 20, 2025

Chair Smith, Vice-Chair Waldstreicher, and members of the Judicial Proceedings Committee:

Thank you for your consideration of Senate Bill 8, *Criminal Law – Identity Fraud – Artificial Intelligence and Deepfake Representations*. This legislation is essential in strengthening Maryland’s ability to combat identity fraud by addressing the evolving threats posed by artificial intelligence (AI) and deepfake technology.

The rapid advancement of AI technology has made it easier than ever to create highly realistic synthetic media: including altered images, videos, and audio recordings. While these tools have legitimate applications, they also present serious risks when misused for fraud, harassment, or deception. The malicious use of AI-generated content to impersonate individuals threatens personal privacy, financial security, and public trust in digital systems. The consequences of this misuse include:

- Financial harm- Victims suffer economic losses from fraudulent unauthorized transactions and identity fraud. This is made much easier with AI being used to fake someone’s voice for voice identification purposes.
- Criminal activity- AI-generated content can help criminal enterprises create counterfeit identification documents, including fake driver’s licenses and fraudulent credentials for law enforcement, government, and banking institutions.<sup>1</sup>
- Emotional and psychological distress- Individuals experience severe personal and reputational harm due to manipulated content.
- Erosion of trust- The integrity of digital communication and online systems is undermined.
- Exploitation and manipulation- Bad actors use AI to impersonate individuals for personal gain.

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<sup>1</sup><https://www.ic3.gov/PSA/2024/PSA241203#:~:text=Identifying%20information%20about%20the%20individuals,%E2%86%A9>

In 2024, a troubling incident at Pikesville High School highlighted the urgency and threat of this issue. The school's athletic director used deepfake technology to create a false audio recording of the school's principal, leading the public to believe he had made racist and antisemitic remarks. This falsified audio, while not technically advanced, required only a basic recording of the principal's voice and a \$ 5-a-month AI tool.<sup>2</sup> The incident served as an important warning and call to action: anyone with minimal resources can now use AI to commit identity fraud.

Other states are already taking action. In 2024, New Jersey introduced bipartisan legislation extending identity theft laws to include fraudulent impersonation through AI and deepfake technology.<sup>3</sup> Arizona, North Dakota, Hawaii, and Washington have also taken action in this space – Maryland must take similar steps to protect its residents from this growing threat.

Ultimately, presenting a false representation of someone utilizing AI is a form of identity theft. SB 905 ensures that Marylanders are safeguarded against AI-driven identity fraud by:

**1) Criminalizing AI Deception**

- a) Prohibits the use of AI or deepfakes to impersonate or falsely depict individuals with the intent to defraud, mislead, or cause harm, which is defined as physical injury, serious emotional distress, or economic damages.

**2) Expanding and Modernizing Definitions**

- a) Updating the legal definition of “personal identifying information” to include biometric data and digital signatures.
- b) Incorporating legal definitions for AI, deepfake technology, and false personation records, covering any AI-generated media used to impersonate individuals.

**3) Providing Civil Restitution and Victim Support:**

- a) Empowering courts to order civil damages for victims, including reimbursement for clearing credit histories and resolving fraudulent debts.

**4) Strengthening Penalties:**

- a) Establishing penalties based on the value of benefits obtained from the crime or the harm caused to the victim(s).
- b) Imposing stricter consequences for violations involving multiple victims, election interference, or harm to minors.

**5) Enhancing Enforcement:**

- a) Granting law enforcement broader authority to investigate and prosecute identity fraud cases across jurisdictions.

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<sup>2</sup><https://www.thebaltimorebanner.com/education/k-12-schools/pikesville-principal-ai-GXGDPO5W6JHFBGES25SYQ2KM5M/>

<sup>3</sup> [https://pub.njleg.gov/Bills/2024/A4000/3912\\_l1.HTM](https://pub.njleg.gov/Bills/2024/A4000/3912_l1.HTM)

- b) Establishing clear guidelines for interagency coordination and reporting to ensure effective enforcement.

Maryland must act now to address the dangers posed by AI-driven identity fraud. SB 8 provides the necessary legal tools to combat these emerging threats and to safeguard our communities.

**Thank you for your consideration, I urge a favorable report of SB 8.**

Sincerely,

A handwritten signature in cursive script that reads "Katie Fry Hester".

Senator Katie Fry Hester  
Howard and Montgomery Counties