



**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.<sup>1</sup> 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

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<sup>1</sup> 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.<sup>2</sup>

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<sup>2</sup> 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