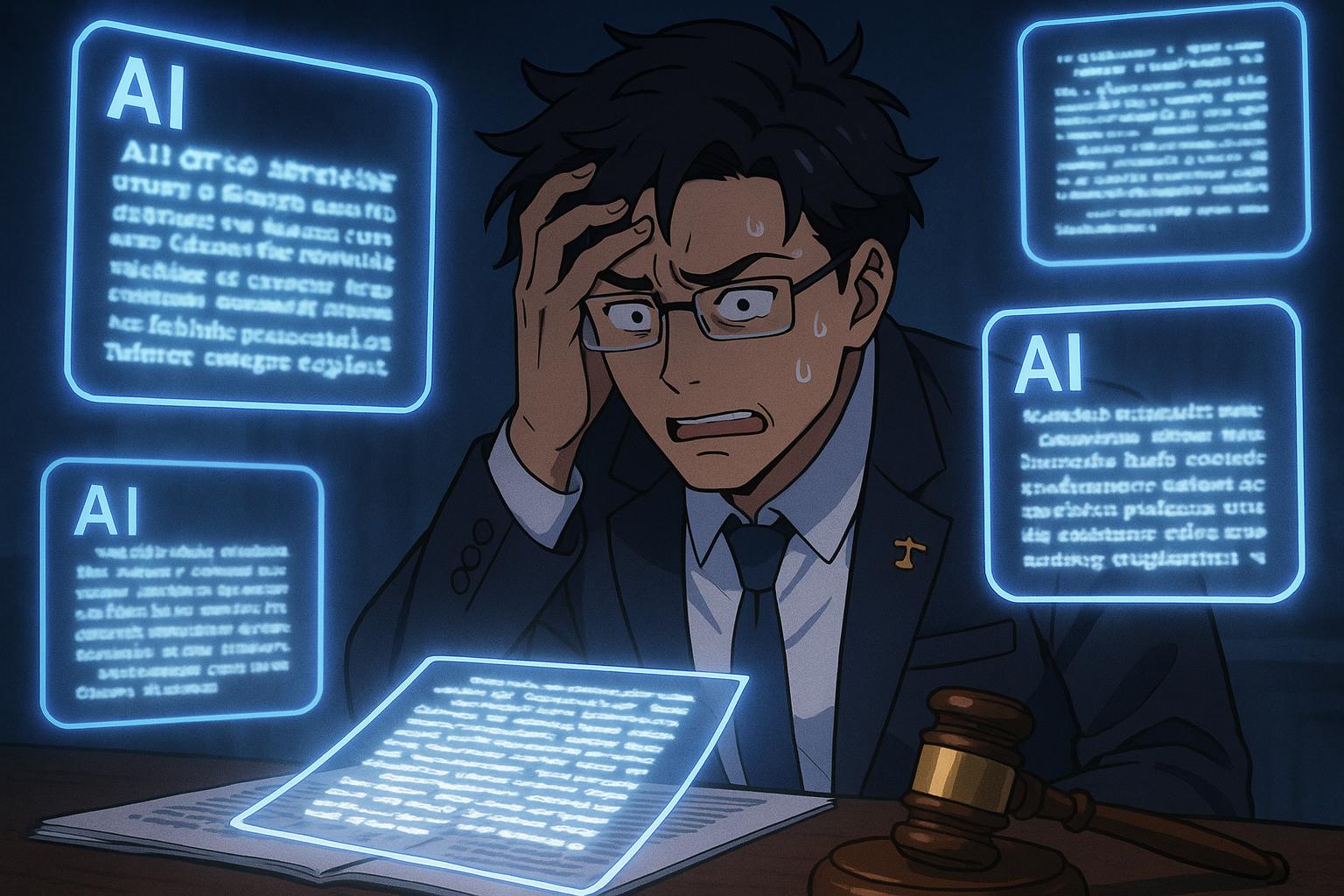
# Lawyers face penalties over AI-generated false citations amid growing use of ChatGPT



In recent months, legal professionals across the United States have found themselves increasingly scrutinised for their reliance on AI-powered tools like ChatGPT, with several attorneys facing penalties for submitting filings containing what courts have termed “bogus AI-generated research.” The trend is troubling: lawyers are integrating AI into their workflows, often with the intention of saving time or enhancing efficiency. However, the technology can produce “hallucinations”—fictitious case citations or other misleading information that can have serious consequences.

The crux of the issue lies in a significant lack of understanding among many attorneys regarding the nature and functioning of large language models (LLMs). A notable incident involved a lawyer who believed ChatGPT was akin to a "super search engine." Only when the attorney's filing included nonexistent citations did the reality become apparent—that these AI models often generate seemingly plausible yet ultimately false content. The challenges of navigating this new landscape are compounded by the pressures of high-volume caseloads, which can lead to hasty decision-making and inadequate verification of citations.

Among the legal community, opinions on the use of generative AI tools are mixed. Andrew Perlman, dean of Suffolk University Law School, acknowledges that while AI hallucinations are a real concern, many lawyers are successfully using these tools without mishap. He believes that generative AI has the potential to transform legal services for the better. Supporting this view, a Thomson Reuters survey conducted in 2024 found that 63% of lawyers surveyed reported having used AI in their work. Many indicated they harness AI for tasks such as summarising case law or researching statutes, with half expressing a desire to explore further AI implementations in their practice. Perlman maintains that generative AI should not replace lawyers' judgment or expertise but can significantly bolster their capabilities.

However, the legal landscape is rife with cautionary tales. In one recent instance, lawyers representing journalist Tim Burke submitted a motion to dismiss against a case concerning First Amendment rights. The filing was found to contain multiple inaccuracies attributed to AI-generated content, prompting Judge Kathryn Kimball Mizelle to strike it from the record. She highlighted the severity and potential repercussions of relying on unreliable AI-generated information. Similarly, a federal judge in Alabama reprimanded the law firm Butler Snow after discovering false citations in their submissions related to a complex inmate safety case. Partner Matt Reeves took responsibility for the errors, admitting to using ChatGPT without proper verification.

The prevalence of AI-generated misinformation is not confined to the legal profession. In a separate but thematically linked instance, an election campaign in Philadelphia recently faced backlash after it was revealed that over 30 positive articles about a political figure had been generated by ChatGPT, leading to concerns about the implications of AI in political discourse and public trust.

Aside from legal consequences, there is an ethical dimension. The American Bar Association has underscored the necessity for lawyers to maintain a baseline level of competence regarding these technologies. This includes understanding their capabilities and limitations, particularly in relation to accuracy. Given the grave potential for misinformation, the ABA has advised that lawyers must verify AI outputs, reinforcing the idea that relying solely on AI without human oversight is not acceptable.

Moreover, advancements are being made to address the issue of AI hallucinations. Researchers have developed a method to distinguish accurate from inaccurate AI-generated information with a remarkable degree of success, yet these techniques are not yet ready for widespread application—and critics remain cautious about overreliance on these evolving systems.

The conversation around AI in the legal field is only beginning, but its implications are profound. While Perlman and others are optimistic about the transformative power of generative AI, others urge restraint. Judges caution against the uncritical outsourcing of research and writing tasks, highlighting that no technology can fully replace the nuanced understanding and analysis that experienced attorneys provide. As the legal profession grapples with these challenges, it seems clear that a balanced approach will be essential—leveraging the efficiencies of AI while safeguarding the integrity and accuracy of the legal practice.

## Reference Map:

* Paragraph 1 – [[1]](https://www.theverge.com/policy/677373/lawyers-chatgpt-hallucinations-ai), [[2]](https://apnews.com/article/8cbaf729dafc2b56bee59545391707c0)
* Paragraph 2 – [[1]](https://www.theverge.com/policy/677373/lawyers-chatgpt-hallucinations-ai), [[4]](https://www.ft.com/content/741f905c-8aa7-4f72-a7f5-7afc19366e43), [[6]](https://www.americanbar.org/groups/real_property_trust_estate/resources/ereport/2023-summer/artificial-intelligence-generative-chatbots/)
* Paragraph 3 – [[1]](https://www.theverge.com/policy/677373/lawyers-chatgpt-hallucinations-ai), [[3]](https://apnews.com/article/7bace99ffe0f11d8e8b17862c7b55e4e), [[7]](https://www.reuters.com/technology/artificial-intelligence/ai-hallucinations-court-papers-spell-trouble-lawyers-2025-02-18/)
* Paragraph 4 – [[2]](https://apnews.com/article/8cbaf729dafc2b56bee59545391707c0), [[4]](https://www.ft.com/content/741f905c-8aa7-4f72-a7f5-7afc19366e43), [[6]](https://www.americanbar.org/groups/real_property_trust_estate/resources/ereport/2023-summer/artificial-intelligence-generative-chatbots/)
* Paragraph 5 – [[6]](https://www.americanbar.org/groups/real_property_trust_estate/resources/ereport/2023-summer/artificial-intelligence-generative-chatbots/), [[5]](https://time.com/6989928/ai-artificial-intelligence-hallucinations-prevent/)
* Paragraph 6 – [[1]](https://www.theverge.com/policy/677373/lawyers-chatgpt-hallucinations-ai), [[2]](https://apnews.com/article/8cbaf729dafc2b56bee59545391707c0), [[7]](https://www.reuters.com/technology/artificial-intelligence/ai-hallucinations-court-papers-spell-trouble-lawyers-2025-02-18/)
* Paragraph 7 – [[5]](https://time.com/6989928/ai-artificial-intelligence-hallucinations-prevent/), [[6]](https://www.americanbar.org/groups/real_property_trust_estate/resources/ereport/2023-summer/artificial-intelligence-generative-chatbots/)

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## Bibliography

1. <https://www.theverge.com/policy/677373/lawyers-chatgpt-hallucinations-ai> - Please view link - unable to able to access data
2. <https://apnews.com/article/8cbaf729dafc2b56bee59545391707c0> - A federal judge in Birmingham, Alabama, is considering sanctions against the law firm Butler Snow after two court filings in a prison-related case included false citations generated by ChatGPT. U.S. District Judge Anna Manasco highlighted the national concern over the use of AI in legal work due to its potential for inaccuracies. Five incorrect citations—considered AI-generated 'hallucinations'—were found in filings related to a case involving a repeatedly stabbed inmate at the William E. Donaldson Correctional Facility. The filings claimed prison officials failed to ensure inmate safety. Butler Snow partner Matt Reeves admitted to using ChatGPT for legal research without verifying the sources, taking full responsibility for the errors. Four attorneys, including Reeves and division head Bill Lunsford, signed the filings. The firm, which has been paid millions by Alabama to handle prison litigation, expressed embarrassment and acknowledged that using unverified AI sources went against its practices. Judge Manasco gave the firm ten days to respond as she evaluates possible penalties, such as fines, for the misconduct.
3. <https://apnews.com/article/7bace99ffe0f11d8e8b17862c7b55e4e> - The campaign team for Philadelphia Sheriff Rochelle Bilal has acknowledged that over 30 positive news stories about Bilal, posted to their site, were generated by the AI tool ChatGPT. These articles, created by an external consultant, were removed after the Philadelphia Inquirer reported that local news archives could not verify them. Such misinformation is concerning as it undermines public trust and can endanger democratic processes. Bilal's campaign admitted that the material, based on real events, was generated by AI using provided talking points, but the AI introduced errors. This incident highlights the broader risks of using AI tools like ChatGPT without strict editorial oversight to ensure accuracy. Experts stress the need for regulation in the use of AI in political campaigns, though no federal law has yet been passed. The occurrence underscores ongoing concerns about misinformation's impact on voter trust and democracy.
4. <https://www.ft.com/content/741f905c-8aa7-4f72-a7f5-7afc19366e43> - The article discusses the similarities and differences between human memory and generative AI models, particularly focusing on the concept of hallucinations. Both humans and AI can misremember or produce incorrect information. Notable human examples include the discrepancies found in John Dean's Watergate testimony when compared to actual recordings. AI models exhibit similar issues, such as ChatGPT generating nonexistent cases or incorrect facts. Recent advancements, like the Safe methodology from Google DeepMind, aim to improve AI's factual accuracy by cross-referencing answers with Google Search. Maria Schnell emphasizes the importance of not just factual accuracy but also the relevance and contextual understanding tailored to specific audiences, a task still challenging for AI. The article concludes that while AI and humans have their flaws, collaboration between the two can leverage their strengths and reduce errors.
5. <https://time.com/6989928/ai-artificial-intelligence-hallucinations-prevent/> - Researchers have developed a new method to detect AI hallucinations, where AI tools confidently produce false information. This new algorithm, published in Nature, distinguishes between correct and incorrect AI-generated answers with 79% accuracy, outperforming other methods. The technique focuses on identifying 'confabulations,' where AI provides inconsistent incorrect answers, using 'semantic entropy' to measure the consistency of responses. This development, though promising, is computationally intensive and addresses only part of the hallucination issue. Researchers, led by Sebastian Farquhar from Oxford University, aim to enhance AI reliability for applications needing high accuracy. However, integrating this method into real-world systems remains challenging, and experts caution against overestimating its immediate impact, emphasizing that the fundamental nature of AI models makes complete elimination of hallucinations unlikely.
6. <https://www.americanbar.org/groups/real_property_trust_estate/resources/ereport/2023-summer/artificial-intelligence-generative-chatbots/> - The article discusses the ethical considerations for lawyers using generative AI tools like ChatGPT. It highlights the duty of competence under Model Rule 1.1, emphasizing that lawyers must understand the benefits and risks associated with relevant technology. The article explains that AI 'hallucinations' refer to instances where AI generates information that appears factual but is ungrounded. It underscores the importance of lawyers maintaining technological competence and verifying AI-generated content to ensure accurate and reliable legal representation.
7. <https://www.reuters.com/technology/artificial-intelligence/ai-hallucinations-court-papers-spell-trouble-lawyers-2025-02-18/> - AI-generated 'hallucinations' are creating problems for lawyers, with courts questioning or disciplining lawyers for including fictitious case citations generated by AI programs. This issue came to light when two Morgan & Morgan lawyers used invented case law in a lawsuit against Walmart, risking sanctions. These incidents highlight a new litigation risk as generative AI tools like ChatGPT become more common in legal practices. While these tools can help reduce research and drafting time, they can also produce false information, leading to serious consequences for lawyers who fail to verify their filings. Attorney ethics rules demand that lawyers vet their work, regardless of the tools used. Legal experts emphasize the need for lawyers to understand AI's limitations and ensure their court submissions are accurate. Examples of this growing problem include significant fines and required educational courses on AI for offending attorneys.