

Artificial Intelligence Consumer Protection Amendments

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Kirk A. Cullimore

House Sponsor: Jefferson Moss

LONG TITLE

General Description:

This bill enacts provisions related to the use of generative artificial intelligence in consumer transactions and regulated services.

Highlighted Provisions:

This bill:

- defines terms;
- requires certain disclosures when generative artificial intelligence is used in consumer transactions and regulated services;
- establishes liability for violations of consumer protection laws involving artificial intelligence;
- provides a safe harbor for certain disclosures;
- grants rulemaking and enforcement authority to the Division of Consumer Protection;
- establishes penalties for violations; and
- extends the repeal date of the Artificial Intelligence Policy Act.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

63I-2-213 (Effective upon governor's approval), as last amended by Laws of Utah 2024, Third Special Session, Chapter 5

ENACTS:

13-75-101 (Effective 05/07/25), Utah Code Annotated 1953

13-75-102 (Effective 05/07/25), Utah Code Annotated 1953

13-75-103 (Effective 05/07/25), Utah Code Annotated 1953

13-75-104 (Effective 05/07/25), Utah Code Annotated 1953

13-75-105 (Effective 05/07/25), Utah Code Annotated 1953

13-75-106 (Effective 05/07/25), Utah Code Annotated 1953

REPEALS:

13-2-12 (Effective 05/07/25), as enacted by Laws of Utah 2024, Chapter 186

Be it enacted by the Legislature of the state of Utah:

Section 1. Section 13-75-101 is enacted to read:

13-75-101 (Effective 05/07/25). Definitions.

As used in this chapter:

- (1) "Artificial intelligence technology" means the same as that term is defined in Section 13-72-101.
- (2) "Consumer transaction" means the same as that term is defined in Section 13-11-3.
- (3) "Division" means the Division of Consumer Protection created in Section 13-2-1.
- (4) "Generative artificial intelligence" means an artificial intelligence technology system that:
 - (a) is trained on data;
 - (b) is designed to simulate human conversation with a consumer through one or more of the following:
 - (i) text;
 - (ii) audio; or
 - (iii) visual communication; and
 - (c) generates non-scripted outputs similar to outputs created by a human, with limited or no human oversight.
- (5) "High-risk artificial intelligence interaction" means an interaction with generative artificial intelligence that involves:
 - (a) the collection of sensitive personal information, including:
 - (i) health data;
 - (ii) financial data; or
 - (iii) biometric data;
 - (b) the provision of personalized recommendations, advice, or information that could reasonably be relied upon to make significant personal decisions, including the

- 62 provision of:
- 63 (i) financial advice or services;
- 64 (ii) legal advice or services;
- 65 (iii) medical advice or services; or
- 66 (iv) mental health advice or services; or
- 67 (c) other applications as defined by division rule.
- 68 (6) "License" means a state-granted authorization for an individual to engage in a specified
- 69 occupation:
- 70 (a) based on the individual meeting personal qualifications established under state law;
- 71 and
- 72 (b) that is required before the individual may lawfully engage in the occupation for
- 73 compensation.
- 74 (7) "Office" means the Office of Artificial Intelligence Policy created in Section 13-74-201.
- 75 (8) "Regulated occupation" means an occupation that:
- 76 (a) is regulated by the Department of Commerce; and
- 77 (b) requires an individual to obtain a license or state certification to practice the
- 78 occupation.
- 79 (9) "State certification" means a state-granted authorization that:
- 80 (a) permits an individual to use the term "state certified" as part of a designated title
- 81 related to a specified occupation:
- 82 (i) based on the individual meeting personal qualifications established under state
- 83 law; and
- 84 (ii) where state law prohibits a noncertified individual from using the term "state
- 85 certified" as part of a designated title; and
- 86 (b) does not prohibit a noncertified individual from engaging in the occupation for
- 87 compensation.
- 88 (10) "Supplier" means the same as that term is defined in Section 13-11-3.

89 Section 2. Section **13-75-102** is enacted to read:

90 **13-75-102 (Effective 05/07/25). Liability for violation of consumer protection law.**

91 It is not a defense to the violation of any statute administered and enforced by the

92 division under Section 13-2-1 that generative artificial intelligence:

- 93 (1) made the violative statement;
- 94 (2) undertook the violative act; or
- 95 (3) was used in furtherance of the violation.

Section 3. Section **13-75-103** is enacted to read:

13-75-103 (Effective 05/07/25). Required disclosures.

- (1)(a) A supplier that uses generative artificial intelligence to interact with an individual in connection with a consumer transaction shall disclose to the individual that the individual is interacting with generative artificial intelligence and not a human, if the individual asks or otherwise prompts the supplier about whether artificial intelligence is being used.
- (b) The individual's prompt or question under Subsection (1)(a) must be a clear and unambiguous request to determine whether the interaction is with a human or with artificial intelligence.
- (2) An individual providing services in a regulated occupation shall:
- (a) prominently disclose when an individual receiving services is interacting with generative artificial intelligence in the provision of regulated services if the use of generative artificial intelligence constitutes a high-risk artificial intelligence interaction; and
- (b) comply with all requirements of the regulated occupation when providing services through generative artificial intelligence.
- (3) A disclosure required under Subsection (2) shall be provided:
- (a) verbally at the start of a verbal interaction; and
- (b) in writing before the start of a written interaction.

Section 4. Section **13-75-104** is enacted to read:

13-75-104 (Effective 05/07/25). Safe harbor.

- (1) A person is not subject to an enforcement action for violating Section 13-75-103 if the person's generative artificial intelligence clearly and conspicuously discloses:
- (a) at the outset of any interaction with an individual in connection with:
- (i) a consumer transaction; or
- (ii) the provision of regulated services; and
- (b) throughout the interaction that it:
- (i) is generative artificial intelligence;
- (ii) is not human; or
- (iii) is an artificial intelligence assistant.
- (2) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the division in consultation with the office, may make rules specifying forms and methods of disclosure that:

- (a) satisfy the requirements of Subsection (1); or
(b) do not satisfy the requirements of Subsection (1).

Section 5. Section **13-75-105** is enacted to read:

13-75-105 (Effective 05/07/25). Enforcement.

- (1) A violation of this chapter constitutes a violation of Subsection 13-11-4(1).
- (2) The division shall administer and enforce this chapter in accordance with Chapter 2, Division of Consumer Protection.
- (3) The attorney general shall:
- (a) give legal advice to the division regarding the division's responsibilities under this chapter; and
- (b) act as counsel for the division in the exercise of the division's responsibilities under this chapter.
- (4) In addition to the division's enforcement powers under Chapter 2, Division of Consumer Protection:
- (a) the division director may impose an administrative fine of up to \$2,500 for each violation of this chapter; and
- (b) the division may bring an action in court to enforce this chapter.
- (5) In an action brought by the division to enforce this chapter, the court may:
- (a) declare that an act or practice violates this chapter;
- (b) issue an injunction for a violation of this chapter;
- (c) order disgorgement of money received in violation of this chapter;
- (d) order payment of disgorged money to an individual injured by a violation of this chapter;
- (e) impose a fine of up to \$2,500 for each violation of this chapter; or
- (f) award other reasonable and necessary relief.
- (6) If a court of competent jurisdiction grants judgment or injunctive relief to the division, the court shall award the division:
- (a) reasonable attorney fees;
- (b) court costs; and
- (c) investigative fees.
- (7)(a) A person who violates an administrative or court order issued for a violation of this chapter is subject to a civil penalty of up to \$5,000 for each violation.
- (b) The attorney general may impose a civil penalty authorized under this section in any civil action brought on behalf of the division.

Section 6. Section **13-75-106** is enacted to read:

13-75-106 (Effective 05/07/25). Scope.

This chapter does not displace any other remedy or right authorized under:

(1) the laws of this state; or

(2) federal law.

Section 7. Section **63I-2-213** is amended to read:

63I-2-213 (Effective upon governor's approval). Repeal dates: Title 13.

(1) Section 13-1-16, Latino Community Support Restricted Account, is repealed July 1, 2024.

(2) Section 13-14-103, Utah Motor Vehicle Franchise Advisory Board -- Creation -- Appointment of members -- Alternate members -- Chair -- Quorum -- Conflict of interest, is repealed October 1, 2024.

(3) Section 13-35-103, Utah Powersport Vehicle Franchise Advisory Board -- Creation -- Appointment of members -- Alternate members -- Chair -- Quorum -- Conflict of interest, is repealed October 1, 2024.

(4) Title 13, Chapter 47, Private Employer Verification Act, is repealed on the program start date, as defined in Section 63G-12-102.

(5) Title 13, Chapter 72, Artificial Intelligence Policy Act, is repealed [~~May 1, 2025~~] July 1, 2027.

Section 8. **Repealer.**

This bill repeals:

Section **13-2-12, Generative artificial intelligence -- Impact on liability for violation of consumer protection law.**

Section 9. **Effective Date.**

(1) Except as provided in Subsection (2), this bill takes effect on May 7, 2025.

(2) The actions affecting Section 63I-2-213 (Effective upon governor's approval) take effect:

(a) except as provided in Subsection (2)(b), May 7, 2025; or

(b) if approved by two-thirds of all members elected to each house:

(i) upon approval by the governor;

(ii) without the governor's signature, the day following the constitutional time limit of

Utah Constitution, Article VII, Section 8; or

(iii) in the case of a veto, the date of veto override.