

HB0438S03 compared with HB0438S02

~~{Omitted text}~~ shows text that was in HB0438S02 but was omitted in HB0438S03
inserted text shows text that was not in HB0438S02 but was inserted into HB0438S03

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1 **Artificial Intelligence Amendments**
2026 GENERAL SESSION
STATE OF UTAH
Chief Sponsor: Doug Fiefia
Senate Sponsor: Kirk A. Cullimore



2
3 **LONG TITLE**

4 **General Description:**

5 This bill enacts the Companion Chatbot Safety Act to regulate operators of companion
6 chatbots and protect consumers.

7 **Highlighted Provisions:**

8 This bill:

- 9 ▶ defines terms;
- 10 ▶ requires operators of companion chatbots to comply with the Utah Consumer Privacy Act;
- 12 ▶ establishes disclosure and data protection requirements for operators;
- 13 ▶ establishes additional safety requirements for operators serving minor users;
- 14 ▶ authorizes rulemaking for age assurance ~~{and safe harbor}~~ standards;
- 15 ▶ requires annual reporting by operators to the Office of Artificial Intelligence Policy;
- 16 ▶ grants enforcement authority to the Division of Consumer Protection;
- 17 ▶ provides for administrative fines and civil penalties;
- 18 ▶ establishes a safe harbor ~~{provisions}~~ provision for operators; ~~{and}~~
- 19 ▶

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requires the Office of Artificial Intelligence Policy to study and report on companion chatbot safety standards; and

19 ▸ provides a severability clause.

22 **Money Appropriated in this Bill:**

23 None

24 **Other Special Clauses:**

25 This bill provides a special effective date.

26 **Utah Code Sections Affected:**

27 **AMENDS:**

28 **13-2-1** [~~Effective 07/01/26~~] (**Effective 08/01/26**), as last amended by Laws of Utah 2025,
Chapter 468

30 **13-61-101** (**Effective 08/01/26**), as last amended by Laws of Utah 2024, Chapter 186

31 **13-61-102** (**Effective 08/01/26**), as last amended by Laws of Utah 2024, Chapter 381

32 **ENACTS:**

33 **13-72b-101** (**Effective 08/01/26**), Utah Code Annotated 1953

34 **13-72b-201** (**Effective 08/01/26**), Utah Code Annotated 1953

35 **13-72b-202** (**Effective 08/01/26**), Utah Code Annotated 1953

36 **13-72b-301** (**Effective 08/01/26**), Utah Code Annotated 1953

37 **13-72b-302** (**Effective 08/01/26**), Utah Code Annotated 1953

38 **13-72b-303** (**Effective 08/01/26**), Utah Code Annotated 1953

39 **13-72b-401** (**Effective 08/01/26**), Utah Code Annotated 1953

40 **13-72b-402** (**Effective 08/01/26**), Utah Code Annotated 1953

41 **13-72b-501** (**Effective 08/01/26**), Utah Code Annotated 1953

42

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

44 Section 1. Section **13-2-1** is amended to read:

45 **13-2-1. Consumer protection division established -- Functions.**

46 (1) There is established within the Department of Commerce the Division of Consumer Protection.

47 (2) The division shall administer and enforce the following:

48 (a) Chapter 10a, Music Licensing Practices Act;

49 (b) Chapter 11, Utah Consumer Sales Practices Act;

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- 50 (c) Chapter 15, Business Opportunity Disclosure Act;
- 51 (d) Chapter 20, New Motor Vehicle Warranties Act;
- 52 (e) Chapter 21, Credit Services Organizations Act;
- 53 (f) Chapter 22, Charitable Solicitations Act;
- 54 (g) Chapter 23, Health Spa Services Protection Act;
- 55 (h) Chapter 25a, Telephone and Facsimile Solicitation Act;
- 56 (i) Chapter 26, Telephone Fraud Prevention Act;
- 57 (j) Chapter 28, Prize Notices Regulation Act;
- 58 (k) Chapter 32a, Pawnshop, Secondhand Merchandise, and Catalytic Converter Transaction Information Act;
- 60 (l) Chapter 34, Utah Postsecondary School and State Authorization Act;
- 61 (m) Chapter 41, Price Controls During Emergencies Act;
- 62 (n) Chapter 42, Uniform Debt-Management Services Act;
- 63 (o) Chapter 49, Immigration Consultants Registration Act;
- 64 (p) Chapter 51, Transportation Network Company Registration Act;
- 65 (q) Chapter 52, Residential Solar Energy Consumer Protection Act;
- 66 (r) Chapter 53, Residential, Vocational ~~or~~ and Life Skills Program Act;
- 67 (s) Chapter 54, Ticket Website Sales Act;
- 68 (t) Chapter 56, Ticket Transferability Act;
- 69 (u) Chapter 57, Maintenance Funding Practices Act;
- 70 (v) Chapter 61, Utah Consumer Privacy Act;
- 71 (w) Chapter 64, Vehicle Value Protection Agreement Act;
- 72 (x) Chapter 65, Utah Commercial Email Act;
- 73 (y) Chapter 67, Online Dating Safety Act;
- 74 (z) Chapter 68, Lawyer Referral Consultants Registration Act;
- 75 (aa) Chapter 70, Automatic Renewal Contracts Act;
- 76 (bb) Chapter 71, Utah Minor Protection in Social Media Act;
- 77 (cc) Chapter 72a, Artificial Intelligence Applications Relating to Mental Health;
- 78 ~~(dd)~~ Chapter 72b, Companion Chatbot Safety Act;
- 79 ~~[(dd)]~~ (ee) Chapter 78, Earned Wage Access Services Act; and
- 80 ~~[(ee)]~~ (ff) Chapter 81, Utah Digital Choice Act.

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- 81 (3) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the division may
make rules to establish:
- 83 (a) a public list that identifies a person that:
- 84 (i) violates a chapter described in Subsection (2);
- 85 (ii) without proper legal justification, fails to comply with an order, subpoena, judgment, or other legal
process issued by:
- 87 (A) the division; or
- 88 (B) a court of competent jurisdiction; or
- 89 (iii) breaches a settlement agreement, stipulation, assurance of voluntary compliance, or similar
instrument signed by the person and the division; and
- 91 (b) a process by which a person may be removed from the list the division establishes as described in
Subsection (3)(a).

95 Section 2. Section **13-61-101** is amended to read:

96 **13-61-101. Definitions.**

As used in this chapter:

- 96 (1) "Account" means the Consumer Privacy Restricted Account established in Section 13-61-403.
- 98 (2) "Affiliate" means an entity that:
- 99 (a) controls, is controlled by, or is under common control with another entity; or
- 100 (b) shares common branding with another entity.
- 101 (3) "Aggregated data" means information that relates to a group or category of consumers:
- 102 (a) from which individual consumer identities have been removed; and
- 103 (b) that is not linked or reasonably linkable to any consumer.
- 104 (4) "Air carrier" means the same as that term is defined in 49 U.S.C. Sec. 40102.
- 105 (5) "Authenticate" means to use reasonable means to determine that a consumer's request to exercise
the rights described in Section 13-61-201 is made by the consumer who is entitled to exercise those
rights.
- 108 (6)
- (a) "Biometric data" means data generated by automatic measurements of an individual's unique
biological characteristics.

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- (b) "Biometric data" includes data described in Subsection (6)(a) that are generated by automatic measurements of an individual's fingerprint, voiceprint, eye retinas, irises, or any other unique biological pattern or characteristic that is used to identify a specific individual.
- 114 (c) "Biometric data" does not include:
- 115 (i) a physical or digital photograph;
- 116 (ii) a video or audio recording;
- 117 (iii) data generated from an item described in Subsection (6)(c)(i) or (ii);
- 118 (iv) information captured from a patient in a health care setting; or
- 119 (v) information collected, used, or stored for treatment, payment, or health care operations as those terms are defined in 45 C.F.R. Parts 160, 162, and 164.
- 121 (7) "Business associate" means the same as that term is defined in 45 C.F.R. Sec. 160.103.
- 122 (8) "Child" means an individual younger than 13 years old.
- 123 (9) "Companion chatbot operator" means the same as the term "operator" is defined in Section 13-72b-101.
- 125 [~~(9)~~] (10) "Consent" means an affirmative act by a consumer that unambiguously indicates the consumer's voluntary and informed agreement to allow a person to process personal data related to the consumer.
- 128 [~~(10)~~] (11)
- (a) "Consumer" means an individual who is a resident of the state acting in an individual or household context.
- 130 (b) "Consumer" does not include an individual acting in an employment or commercial context.
- 132 [~~(11)~~] (12) "Control" or "controlled" as used in Subsection (2) means:
- 133 (a) ownership of, or the power to vote, more than 50% of the outstanding shares of any class of voting securities of an entity;
- 135 (b) control in any manner over the election of a majority of the directors or of the individuals exercising similar functions; or
- 137 (c) the power to exercise controlling influence of the management of an entity.
- 138 [~~(12)~~] (13) "Controller" means a person doing business in the state who determines the purposes for which and the means by which personal data are processed, regardless of whether the person makes the determination alone or with others.
- 141 [~~(13)~~] (14) "Covered entity" means the same as that term is defined in 45 C.F.R. Sec. 160.103.

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- 143 ~~[(14)]~~ (15)
- (a) "Deidentified data" means data that:
- 144 (i) cannot reasonably be linked to an identified individual or an identifiable individual; and
- 146 (ii) are possessed by a controller who:
- 147 (A) takes reasonable measures to ensure that a person cannot associate the data with an individual;
- 149 (B) publicly commits to maintain and use the data only in deidentified form and not attempt to reidentify the data; and
- 151 (C) contractually obligates any recipients of the data to comply with the requirements described in ~~[Subsections (14)(b)(i) and (ii)]~~ {Subsections (15)(a)(ii)(A) and (B)} this Subsection (15)(a).
- 154 (b) "Deidentified data" includes synthetic data.
- 155 ~~[(15)]~~ (16) "Director" means the director of the Division of Consumer Protection.
- 156 ~~[(16)]~~ (17) "Division" means the Division of Consumer Protection created in Section 13-2-1.
- 157 ~~[(17)]~~ (18) "Governmental entity" means the same as that term is defined in Section 63G-2-103.
- 159 ~~[(18)]~~ (19) "Health care facility" means the same as that term is defined in Section 26B-2-201.
- 161 ~~[(19)]~~ (20) "Health care provider" means the same as that term is defined in Section 78B-3-403.
- 163 ~~[(20)]~~ (21) "Identifiable individual" means an individual who can be readily identified, directly or indirectly.
- 165 ~~[(21)]~~ (22) "Institution of higher education" means a public or private institution of higher education.
- 167 ~~[(22)]~~ (23) "Local political subdivision" means the same as that term is defined in Section 11-14-102.
- 169 ~~[(23)]~~ (24) "Nonprofit corporation" means:
- 170 (a) the same as that term is defined in Section 16-6a-102; or
- 171 (b) a foreign nonprofit corporation as defined in Section 16-6a-102.
- 172 ~~[(24)]~~ (25)
- (a) "Personal data" means information that is linked or reasonably linkable to an identified individual or an identifiable individual.
- 174 (b) "Personal data" does not include deidentified data, aggregated data, or publicly available information.
- 176 ~~[(25)]~~ (26) "Process" means an operation or set of operations performed on personal data, including collection, use, storage, disclosure, analysis, deletion, or modification of personal data.
- 179 ~~[(26)]~~ (27) "Processor" means a person who processes personal data on behalf of a controller.
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[(27)] (28) "Protected health information" means the same as that term is defined in 45 C.F.R. Sec. 160.103.

183 [(28)] (29) "Pseudonymous data" means personal data that cannot be attributed to a specific individual without the use of additional information, if the additional information is:

185 (a) kept separate from the consumer's personal data; and

186 (b) subject to appropriate technical and organizational measures to ensure that the personal data are not attributable to an identified individual or an identifiable individual.

189 [(29)] (30) "Publicly available information" means information that a person:

190 (a) lawfully obtains from a record of a governmental entity;

191 (b) reasonably believes a consumer or widely distributed media has lawfully made available to the general public; or

193 (c) if the consumer has not restricted the information to a specific audience, obtains from a person to whom the consumer disclosed the information.

195 [(30)] (31) "Right" means a consumer right described in Section 13-61-201.

196 [(31)] (32)

(a) "Sale," "sell," or "sold" means the exchange of personal data for monetary consideration by a controller to a third party.

198 (b) "Sale," "sell," or "sold" does not include:

199 (i) a controller's disclosure of personal data to a processor who processes the personal data on behalf of the controller;

201 (ii) a controller's disclosure of personal data to an affiliate of the controller;

202 (iii) considering the context in which the consumer provided the personal data to the controller, a controller's disclosure of personal data to a third party if the purpose is consistent with a consumer's reasonable expectations;

205 (iv) the disclosure or transfer of personal data when a consumer directs a controller to:

206 (A) disclose the personal data; or

207 (B) interact with one or more third parties;

208 (v) a consumer's disclosure of personal data to a third party for the purpose of providing a product or service requested by the consumer or a parent or legal guardian of a child;

211 (vi) the disclosure of information that the consumer:

212 (A) intentionally makes available to the general public via a channel of mass media; and

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- 214 (B) does not restrict to a specific audience; or
215 (vii) a controller's transfer of personal data to a third party as an asset that is part of a proposed or actual
merger, an acquisition, or a bankruptcy in which the third party assumes control of all or part of the
controller's assets.
- 218 [~~(32)~~] (33)
- (a) "Sensitive data" means:
- 219 (i) personal data that reveals:
- 220 (A) an individual's racial or ethnic origin;
- 221 (B) an individual's religious beliefs;
- 222 (C) an individual's sexual orientation;
- 223 (D) an individual's citizenship or immigration status; or
- 224 (E) information regarding an individual's medical history, mental or physical health condition, or
medical treatment or diagnosis by a health care professional;
- 227 (ii) the processing of genetic personal data or biometric data, if the processing is for the purpose of
identifying a specific individual; or
- 229 (iii) specific geolocation data.
- 230 (b) "Sensitive data" does not include personal data that reveals an individual's:
- 231 (i) racial or ethnic origin, if the personal data are processed by a video communication service; or
- 233 (ii) if the personal data are processed by a person licensed to provide health care under Title 26B,
Chapter 2, Part 2, Health Care Facility Licensing and Inspection, or Title 58, Occupations and
Professions, information regarding an individual's medical history, mental or physical health
condition, or medical treatment or diagnosis by a health care professional.
- 238 [~~(33)~~] (34)
- (a) "Specific geolocation data" means information derived from technology, including global position
system level latitude and longitude coordinates, that directly identifies an individual's specific
location, accurate within a radius of 1,750 feet or less.
- 242 (b) "Specific geolocation data" does not include:
- 243 (i) the content of a communication; or
- 244 (ii) any data generated by or connected to advanced utility metering infrastructure systems or equipment
for use by a utility.

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[~~(34)~~] (35) "Synthetic data" means data that has been generated by computer algorithms or statistical models and does not contain personal data.

248 [~~(35)~~] (36)

(a) "Targeted advertising" means displaying an advertisement to a consumer where the advertisement is selected based on personal data obtained from the consumer's activities over time and across nonaffiliated websites or online applications to predict the consumer's preferences or interests.

252 (b) "Targeted advertising" does not include advertising:

253 (i) based on a consumer's activities within a controller's website or online application or any affiliated website or online application;

255 (ii) based on the context of a consumer's current search query or visit to a website or online application;

257 (iii) directed to a consumer in response to the consumer's request for information, product, a service, or feedback; or

259 (iv) processing personal data solely to measure or report advertising:

260 (A) performance;

261 (B) reach; or

262 (C) frequency.

263 [~~(36)~~] (37) "Third party" means a person other than:

264 (a) the consumer, controller, or processor; or

265 (b) an affiliate or contractor of the controller or the processor.

266 [~~(37)~~] (38) "Trade secret" means information, including a formula, pattern, compilation, program, device, method, technique, or process, that:

268 (a) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from the information's disclosure or use; and

271 (b) is the subject of efforts that are reasonable under the circumstances to maintain the information's secrecy.

275 Section 3. Section **13-61-102** is amended to read:

276 **13-61-102. Applicability.**

275 (1) This chapter applies to:

276 (a) [-]any controller or processor who:

277 [~~(a)~~] (i)

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- [~~(i)~~] (A) conducts business in the state; or
- 278 [~~(ii)~~] (B) produces a product or service that is targeted to consumers who are residents of the state;
- 280 [~~(b)~~] (ii) has annual revenue of \$25,000,000 or more; and
- 281 [~~(e)~~] (iii) satisfies one or more of the following thresholds:
- 282 [~~(i)~~] (A) during a calendar year, controls or processes personal data of 100,000 or more consumers; or
- 284 [~~(ii)~~] (B) derives over 50% of the entity's gross revenue from the sale of personal data and controls or
processes personal data of 25,000 or more consumers[~~;~~] ; or
- 286 (b) a companion chatbot operator.
- 287 (2) This chapter does not apply to:
- 288 (a) a governmental entity or a third party under contract with a governmental entity when the third party
is acting on behalf of the governmental entity;
- 290 (b) a tribe;
- 291 (c) an institution of higher education;
- 292 (d) a nonprofit corporation;
- 293 (e) a covered entity;
- 294 (f) a business associate;
- 295 (g) information that meets the definition of:
- 296 (i) protected health information for purposes of the federal Health Insurance Portability and
Accountability Act of 1996, 42 U.S.C. Sec. 1320d et seq., and related regulations;
- 299 (ii) patient identifying information for purposes of 42 C.F.R. Part 2;
- 300 (iii) identifiable private information for purposes of the Federal Policy for the Protection of Human
Subjects, 45 C.F.R. Part 46;
- 302 (iv) identifiable private information or personal data collected as part of human subjects research
[~~pursuant to~~] in accordance with or under the same standards as:
- 304 (A) the good clinical practice guidelines issued by the International Council for Harmonisation; or
- 306 (B) the Protection of Human Subjects under 21 C.F.R. Part 50 and Institutional Review Boards under
21 C.F.R. Part 56;
- 308 (v) personal data used or shared in research conducted in accordance with one or more of the
requirements described in Subsection (2)(g)(iv);
- 310 (vi) information and documents created specifically for, and collected and maintained by, a committee
but not a board or council listed in Section 26B-1-204;

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- 312 (vii) information and documents created for purposes of the federal Health Care Quality Improvement
Act of 1986, 42 U.S.C. Sec. 11101 et seq., and related regulations;
- 315 (viii) patient safety work product for purposes of 42 C.F.R. Part 3; or
- 316 (ix) information that is:
- 317 (A) deidentified in accordance with the requirements for deidentification set forth in 45 C.F.R. Part 164;
and
- 319 (B) derived from any of the health care-related information listed in this Subsection (2)(g);
- 321 (h) information originating from, and intermingled to be indistinguishable with, information under
Subsection (2)(g) that is maintained by:
- 323 (i) a health care facility or health care provider; or
- 324 (ii) a program or a qualified service organization as defined in 42 C.F.R. Sec. 2.11;
- 325 (i) information used only for public health activities and purposes as described in 45 C.F.R. Sec.
164.512;
- 327 (j)
- (i) an activity by:
- 328 (A) a consumer reporting agency, as defined in 15 U.S.C. Sec. 1681a;
- 329 (B) a furnisher of information, as set forth in 15 U.S.C. Sec. 1681s-2, who provides information for
use in a consumer report, as defined in 15 U.S.C. Sec. 1681a; or
- 332 (C) a user of a consumer report, as set forth in 15 U.S.C. Sec. 1681b;
- 333 (ii) subject to regulation under the federal Fair Credit Reporting Act, 15 U.S.C. Sec. 1681 et seq.; and
- 335 (iii) involving the collection, maintenance, disclosure, sale, communication, or use of any personal data
bearing on a consumer's:
- 337 (A) credit worthiness;
- 338 (B) credit standing;
- 339 (C) credit capacity;
- 340 (D) character;
- 341 (E) general reputation;
- 342 (F) personal characteristics; or
- 343 (G) mode of living;
- 344

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- (k) a financial institution or an affiliate of a financial institution governed by, or personal data collected, processed, sold, or disclosed in accordance with, Title V of the Gramm-Leach-Bliley Act, 15 U.S.C. Sec. 6801 et seq., and related regulations;
- 347 (l) personal data collected, processed, sold, or disclosed in accordance with the federal Driver's Privacy
Protection Act of 1994, 18 U.S.C. Sec. 2721 et seq.;
- 349 (m) personal data regulated by the federal Family Education Rights and Privacy Act, 20 U.S.C. Sec.
1232g, and related regulations;
- 351 (n) personal data collected, processed, sold, or disclosed in accordance with the federal Farm Credit Act
of 1971, 12 U.S.C. Sec. 2001 et seq.;
- 353 (o) data that are processed or maintained:
- 354 (i) in the course of an individual applying to, being employed by, or acting as an agent or independent
contractor of a controller, processor, or third party, to the extent the collection and use of the data
are related to the individual's role;
- 357 (ii) as the emergency contact information of an individual described in Subsection (2)(o)(i) and used for
emergency contact purposes; or
- 359 (iii) to administer benefits for another individual relating to an individual described in Subsection (2)(o)
(i) and used for the purpose of administering the benefits;
- 361 (p) an individual's processing of personal data for purely personal or household purposes; or
- 363 (q) an air carrier.
- 364 (3) A controller is in compliance with any obligation to obtain parental consent under this chapter if the
controller complies with the verifiable parental consent mechanisms under the Children's Online
Privacy Protection Act, 15 U.S.C. Sec. 6501 et seq., and the act's implementing regulations and
exemptions.
- 368 (4) This chapter does not require a person to take any action in conflict with the federal Health
Insurance Portability and Accountability Act of 1996, 42 U.S.C. Sec. 1320d et seq., or related
regulations.

373 Section 4. Section 4 is enacted to read:

376 **13-72b-101. Definitions.**

72b. Companion Chatbot Safety Act

1. General Provisions

377

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(1) "Advertisement" means content, a communication, or a digital display provided through a companion chatbot's interface that:

379 (a) promotes the availability, quality, or purchase of a specific product, service, or brand; and

381 (b) is provided to the user in exchange for compensation from a third party.

375 (1){(2)}

(a) "Affirmative consent" means a clear act signifying a user's freely given, specific, informed, and unambiguous authorization for an act or practice in response to a specific request from an operator, provided:

378 (i) the request is {provided to the user in a} clear {and}, conspicuous {standalone disclosure},
and written in easy-to-understand language;

379 {(ii) {the request includes a description, written in easy-to-understand language, of the act or practice for which the user's consent is sought;}}

381 {(iii) {the request is made in a manner reasonably accessible to and usable by a user with a disability;}}

383 (iv){(ii)} the option to refuse to give consent is at least as prominent as the option to give consent, and the option to refuse to give consent takes the same number of steps or fewer as the option to give consent; and

386 (v){(iii)} affirmative consent to an act or practice is not inferred from the inaction of the user or the user's continued use of a {chatbot provided by the} companion chatbot {provider}.

388 (b) "Affirmative consent" does not include:

389 (i) acceptance of a general or broad terms of use or similar document;

390 (ii) hovering over, muting, pausing, or closing a given piece of content;or

391 (iii) an agreement obtained through the use of a false, fraudulent, or materially misleading statement or representation{;or}.

393 {(iv) {an agreement obtained through the use of a dark pattern.}}

396 (3) "Application programming interface" means a set of protocols, tools, or specifications that allows software systems to communicate with one another and through which a third party may access, integrate, or build upon an artificial intelligence system's underlying capabilities.

394 (2){(4)} "Artificial intelligence" means the same as that term is defined in Section 13-72-101.

401 (5)

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- (3){(a)} "Companion chatbot" means an artificial intelligence system that uses a natural language interface that:
- 397 (a){(i)} ~~{uses}~~ is designed to use personal data retained, stored, or retrieved from a prior interaction
and ~~{generates}~~ generate an output that:
- 399 (i){(A)} simulates ~~{a}~~ an ongoing relationship with the user; or
- 400 (ii){(B)} indicates the companion chatbot has emotions, feelings, memories, or personal opinions;
{and}
- 402 (b){(ii)} ~~{generates}~~ is designed to generate an output containing an affective or social inquiry that:
- 403 (i){(A)} is not logically required to resolve a user prompt or task-based command; or
- 404 (ii){(B)} prioritizes extension of the interaction over task resolution~~{-}~~; and
- 411 (iii) holds itself out as primarily useful for providing companionship or an ongoing social or
emotional relationship with the user.
- 413 (b) "Companion chatbot" does not include an artificial intelligence system that:
- 414 (i) is deployed by a business, employer, or institution exclusively for internal operational purposes; or
- 416 (ii) is marketed or offered exclusively to businesses, employers, or institutions or through an application
programming interface.
- 405 (4){(6)} "Core functioning" means features and services for which the collection or processing of the
user's personal data is reasonably necessary to provide the companion chatbot service to the user.
- 408 ~~{(5) {"Dark pattern" means a user interface designed or manipulated with the substantial effect of
subverting or impairing user autonomy, decision-making, or choice, and includes any practice the
Federal Trade Commission refers to as a "dark pattern."}-}~~
- 411 (6){(7)} "Division" means the Division of Consumer Protection created in Section 13-2-1.
- 412 (7){(8)} "Interaction" means a user input and a subsequent response by a companion chatbot.
- 413 (8){(9)} "Material harmful to minors" means the same as that term is defined in Section 76-5c-101.
- 415 (9){(10)} "Minor" means an individual under 18 years old ~~{that}~~ who:
- 416 (a) has not been emancipated as that term is defined in Section 80-7-102; or
- 417 (b) has not been married.
- 418 (10){(11)} "Office" means the Office of Artificial Intelligence Policy created in Section 13-72-201.
- 429 (12)
- 419 (a) "Operator" means a person who:

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(11){(i)} {"Operator" means a person who } makes a companion chatbot available to a user in the state{.}; and

431 (ii) exerts substantial control over the design, features, or content moderation policies of the companion chatbot.

433 (b) "Operator" does not include a person who merely provides:

434 (i) hosting or infrastructure services;

435 (ii) cloud computing services; or

436 (iii) application programming interface access used by another person to operate a companion chatbot.

421 (12){(13)} "Personal data" means the same as that term is defined in Section 13-61-101.

422 (13){(14)} "Sensitive data" means the same as that term is defined in Section 13-61-101.

423 (14){(15)} "Targeted advertising" means the same as that term is defined in Section 13-61-101.

424 (15){(16)} "User" means an individual who:

425 (a) interacts with a companion chatbot; and

426 (b) is a Utah resident.

444 Section 5. Section 5 is enacted to read:

446 **13-72b-201. Safety requirements for users.**

2. Safety Requirements

430 (1) An operator shall comply with the requirements of Chapter 61, Utah Consumer Privacy Act, including:

432 (a) allowing a user to obtain a copy of the {user's interactions with} prompts provided to a companion chatbot that are retained by the operator in a format that is portable and readily usable in accordance with Section 13-61-201; and

435 (b) {obtaining} complying with the requirements of Section 13-61-302 with respect to the processing of a user's {affirmative consent before processing the user's} sensitive data {in accordance with Section 13-61-302}.

437 (2) An operator shall prevent the companion chatbot from engaging with a user unless:

438 (a) the operator prevents the companion chatbot from generating responses that encourage suicidal ideation, suicide, self-harm, or harm to others; and

440 (b) if the user expresses suicidal ideation, self-harm, or harm to others, the companion chatbot provides to the user resources including a referral to:

442 (i) crisis service providers;

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- 443 (ii) a suicide hotline; or
444 (iii) a crisis text line.
- 445 (3) An operator may not ~~{ advertise a specific product or service to the }~~ display an advertisement to a
user, unless the operator clearly and conspicuously ~~{, in the companion chatbot's interaction with the~~
user:} identifies the advertisement as an advertisement.
- 447 ~~{(a) { identifies the advertisement as an advertisement; and } }~~
448 ~~{(b) { discloses to the user any sponsorship, business affiliation, or agreement that the operator has with~~
a person to promote, advertise, or recommend the advertised product or service.} }
- 464 Section 6. Section 6 is enacted to read:
465 **13-72b-202. Additional safety requirements for minor users.**
- 453 (1) An operator shall, for a user who is a minor:
454 (a) provide a clear and conspicuous notice to the user at least once every ~~{hour}~~ three hours during a
continuing chatbot interaction that:
- 456 (i) reminds the user to take a break from interacting with the companion chatbot; and
457 (ii) states that the user is interacting with an artificial intelligence system, not a human; and
459 (b) opt out, by default, the user from targeted advertising.
- 460 (2) An operator may not, for a user who is a minor:
461 ~~{(a) { produce or provide material harmful to minors; } }~~
462 (b) ~~{(a) }~~ produce, provide, or direct a user to material harmful to minors;
463 ~~{(c) { encourage the user to; } }~~
464 ~~{(f) { use illegal substances; } }~~
465 ~~{(ii) { consume alcohol; } }~~
475 (b) collect data from the user that is not required for core functioning of the companion chatbot;
477 (c) sell a user's personal data;
478 (d) direct targeted advertising to the user unless a parent or legal guardian of the user has provided
affirmative consent; or
480 (e) otherwise convey a user's personal data unless a parent or legal guardian of the user has provided
affirmative consent, except as required for core functioning of the companion chatbot.
- 483 (3) An operator shall take reasonable and proportionate steps to prevent a companion chatbot from
encouraging a user who is a minor to:
- 466 (iii) ~~{(a) }~~ use illegal substances, alcohol, or a tobacco or nicotine product;

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- 467 (iv){(b)} engage in sexual conduct;
- 468 (v){(c)} engage in self-harm; {or}
- 469 (vi){(d)} engage in illegal conduct;
- 489 (e) engage in behaviors that promote eating disorders, disordered eating behaviors, or extreme weight-loss practices; or
- 491 (f) engage in activities that are lawful for adults but pose a material risk of serious harm to a minor, including age-restricted challenges, stunts, or risky behaviors.
- 493 (4) An operator that makes a companion chatbot available to a user who is a minor shall:
- 470 (d){(a)} ~~{direct targeted advertising to the user unless}~~ offer a parent or legal guardian of the user ~~{has provided affirmative consent;}~~ accessible tools to:
- 495 (i) control whether the companion chatbot retains data from prior interactions with the user;
- 472 (e){(ii)} ~~{collect data from}~~ control whether the ~~{user that}~~ user's personal data is ~~{not required for core functioning of}~~ used to train the companion chatbot;
- 498 (iii) set time limits on the user's interactions with the companion chatbot; and
- 474 (f){(iv)} ~~{sell a}~~ disable the user's ~~{personal data}~~ access to the companion chatbot; {or}
- 500 (b) take reasonable steps to ensure that a parent or legal guardian of the user is aware of the tools described in Subsection (4)(a), including through direct communications reasonably calculated to reach a parent or legal guardian; and
- 475 (g){(c)} ~~{otherwise convey a user's personal data unless}~~ provide timely notice to a parent or legal guardian of the user ~~{has provided affirmative consent, except as required for core functioning of}~~ if the user modifies or disables a setting previously configured by the ~~{companion chatbot}~~ parent or legal guardian under Subsection (4)(a).
- 478 (3){(5)} The requirements of this section are in addition to the requirements of Section 13-72b-201.
- 508 Section 7. Section 7 is enacted to read:
- 510 **13-72b-301. Division rulemaking.**
3. Rulemaking and Reporting
- In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the division may make rules establishing reasonable age assurance standards that an operator may meet to qualify for the safe harbor described in Section 13-72b-402, including standards for:
- 486 (1) third-party age assurance services;
- 487 (2) protecting user privacy and data security;

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- 488 (3) verifying the reliability and accuracy of age assurance methods; and
489 (4) retaining, protecting, and securely disposing of any information obtained as a result of age
assurance.

519 Section 8. Section **8** is enacted to read:

520 **13-72b-302. Office rulemaking and reporting.**

In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the office may
make rules establishing the form of the report required in Section 13-72b-303.

{office may make rules:}

495 {(1) {establishing the form of the report required in Section 13-72b-303; and} }

496 {(2) {establishing standards an operator may meet to qualify for the safe harbor described in Section
13-72b-402, including:} }

523 (2) The office shall study and report to the Business and Labor Interim Committee at the November
2026 interim meeting on standards relating to:

498 (a) design features that prevent a companion chatbot from engaging in or reciprocating user attempts to
establish a relationship;

500 (b) measures or methods to limit a user's emotional and social attachment to a companion chatbot; and

502 (c) measures and processes to reduce mental and physical risk to a user{; and}.

503 {(d) {disclosure, transparency, and reporting requirements relevant to Subsections (2)(a)-(c).} }

530 Section 9. Section **9** is enacted to read:

531 **13-72b-303. Reporting requirements.**

507 (1) An operator shall annually report to the office:

508 (a) the number of times the operator has issued a crisis service provider referral notification in
accordance with Section {13-72b-202} 13-72b-201 in the preceding calendar year;

510 (b) methods the operator has implemented to detect, remove, and respond to expressions of suicidal
ideation, suicide, or self-harm by users; and

512 (c) methods the operator has implemented to prevent a companion chatbot {response about} from
generating responses that encourage suicidal ideation, suicide, or {actions with the user} self-harm.

514 (2) The report required by this section may not include a user's personal data.

540 Section 10. Section **10** is enacted to read:

542 **13-72b-401. Enforcement.**

4. Enforcement and Safe Harbor

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- 518 (1) The division shall administer and enforce the provisions of this chapter in accordance with Chapter
2, Division of Consumer Protection.
- 520 (2) The division may coordinate with the office to investigate and enforce violations of this chapter.
- 522 (3) In addition to the division's enforcement powers under Chapter 2, Division of Consumer Protection:
- 524 (a) the division director may impose an administrative fine of up to \$2,500 for each violation of this
chapter; and
- 526 (b) the division may bring an action in a court of competent jurisdiction to enforce a provision of this
chapter.
- 528 (4) In a court action by the division to enforce a provision of this chapter, the court may:
- 529 (a) declare that an act or practice violates a provision of this chapter;
- 530 (b) issue an injunction for a violation of this chapter;
- 531 (c) order disgorgement of money received in violation of this chapter;
- 532 (d) order payment of disgorged money to an injured purchaser or consumer;
- 533 (e) impose a fine of up to \$2,500 for each violation of this chapter; or
- 534 (f) award other relief that the court determines reasonable and necessary.
- 535 (5) If a court awards judgment or injunctive relief to the division, the court shall award the division:
- 537 (a) reasonable attorney fees;
- 538 (b) court costs; and
- 539 (c) investigative fees.
- 540 (6) A court may impose a civil penalty of no more than \$50,000 for each violation of an administrative
or court order issued for a violation of this chapter.
- 542 (7) A civil penalty authorized under this section may be imposed in a civil action.
- 543 (8) The division shall deposit all fines and civil penalties collected under this section into the Consumer
Protection Education and Training Fund created in Section 13-2-8.
- 545 (9) Nothing in this chapter { ~~shall displace~~ } displaces any other available { ~~remedies~~ } remedy or { ~~rights~~
} right authorized under the laws of this state or the United States.
- 572 Section 11. Section 11 is enacted to read:
- 573 **13-72b-402. Safe harbor.**
- 549 (1) An operator bears the burden of demonstrating by clear and convincing evidence that the operator
qualifies for { ~~a~~ } the safe harbor described in this section.

551

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(2) An operator is not liable for a violation of Section 13-72b-202 if the operator uses an age assurance method that meets the standards established by division rule made in accordance with Section 13-72b-301.

554 {~~(3) {An operator is not liable for a violation of this chapter if the operator meets the standards~~
established by office rule made in accordance with Subsection 13-72b-302(2).~~}}~~}

579 Section 12. Section **12** is enacted to read:

581 **13-72b-501. Severability.**

5. Severability

559 (1) If any provision of this chapter, or the application of any provision to any person or circumstance,
is held invalid by a final decision of a court of competent jurisdiction, the remainder of this chapter
shall be given effect without the invalid provision or application.

563 (2) The provisions of this chapter are severable.

587 Section 13. **Effective date.**

Effective Date.

This bill takes effect on August 1, 2026.

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