

John D. Johnson proposes the following substitute bill:

Artificial Intelligence Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Doug Fiefia

Senate Sponsor: Kirk A. Cullimore

LONG TITLE

General Description:

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

Highlighted Provisions:

This bill:

- defines terms;
- requires operators of companion chatbots to comply with the Utah Consumer Privacy Act;
- establishes disclosure and data protection requirements for operators;
- establishes additional safety requirements for operators serving minor users;
- authorizes the Governor's Office of Economic Opportunity (office) to make rules for age assurance and safe harbor standards;
- requires annual reporting by operators to the office;
- grants the office authority to investigate operator compliance and issue determinations of violation;
- authorizes the attorney general to bring civil enforcement actions and seek civil penalties for violations of this chapter;
- establishes safe harbor provisions for operators; and
- provides a severability clause.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

29 **13-61-101 (Effective 08/01/26)**, as last amended by Laws of Utah 2024, Chapter 186
 30 **13-61-102 (Effective 08/01/26)**, as last amended by Laws of Utah 2024, Chapter 381
 31 **63I-2-213 (Effective 08/01/26)**, as last amended by Laws of Utah 2025, Chapter 277

32 ENACTS:

33 **63N-22b-101 (Effective 08/01/26)**, Utah Code Annotated 1953
 34 **63N-22b-201 (Effective 08/01/26)**, Utah Code Annotated 1953
 35 **63N-22b-202 (Effective 08/01/26)**, Utah Code Annotated 1953
 36 **63N-22b-301 (Effective 08/01/26)**, Utah Code Annotated 1953
 37 **63N-22b-302 (Effective 08/01/26)**, Utah Code Annotated 1953
 38 **63N-22b-401 (Effective 08/01/26)**, Utah Code Annotated 1953
 39 **63N-22b-402 (Effective 08/01/26)**, Utah Code Annotated 1953
 40 **63N-22b-501 (Effective 08/01/26)**, Utah Code Annotated 1953

41 RENUMBERS AND AMENDS:

42 **63N-22-101 (Effective 08/01/26) (Repealed 07/01/27)**, (Renumbered from 13-72-101,
 43 as enacted by Laws of Utah 2024, Chapter 186)
 44 **63N-22-201 (Effective 08/01/26) (Repealed 07/01/27)**, (Renumbered from 13-72-201,
 45 as enacted by Laws of Utah 2024, Chapter 186)
 46 **63N-22-301 (Effective 08/01/26) (Repealed 07/01/27)**, (Renumbered from 13-72-301,
 47 as enacted by Laws of Utah 2024, Chapter 186)
 48 **63N-22-302 (Effective 08/01/26) (Repealed 07/01/27)**, (Renumbered from 13-72-302,
 49 as enacted by Laws of Utah 2024, Chapter 186)
 50 **63N-22-304 (Effective 08/01/26) (Repealed 07/01/27)**, (Renumbered from 13-72-304,
 51 as enacted by Laws of Utah 2024, Chapter 186)
 52 **63N-22-305 (Effective 08/01/26) (Repealed 07/01/27)**, (Renumbered from 13-72-305,
 53 as enacted by Laws of Utah 2024, Chapter 186)

54

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

56 Section 1. Section **13-61-101** is amended to read:

57 **13-61-101 (Effective 08/01/26). Definitions.**

58 As used in this chapter:

- 59 (1) "Account" means the Consumer Privacy Restricted Account established in Section
 60 13-61-403.
 61 (2) "Affiliate" means an entity that:
 62 (a) controls, is controlled by, or is under common control with another entity; or

- 63 (b) shares common branding with another entity.
- 64 (3) "Aggregated data" means information that relates to a group or category of consumers:
- 65 (a) from which individual consumer identities have been removed; and
- 66 (b) that is not linked or reasonably linkable to any consumer.
- 67 (4) "Air carrier" means the same as that term is defined in 49 U.S.C. Sec. 40102.
- 68 (5) "Authenticate" means to use reasonable means to determine that a consumer's request to
- 69 exercise the rights described in Section 13-61-201 is made by the consumer who is
- 70 entitled to exercise those rights.
- 71 (6)(a) "Biometric data" means data generated by automatic measurements of an
- 72 individual's unique biological characteristics.
- 73 (b) "Biometric data" includes data described in Subsection (6)(a) that are generated by
- 74 automatic measurements of an individual's fingerprint, voiceprint, eye retinas, irises,
- 75 or any other unique biological pattern or characteristic that is used to identify a
- 76 specific individual.
- 77 (c) "Biometric data" does not include:
- 78 (i) a physical or digital photograph;
- 79 (ii) a video or audio recording;
- 80 (iii) data generated from an item described in Subsection (6)(c)(i) or (ii);
- 81 (iv) information captured from a patient in a health care setting; or
- 82 (v) information collected, used, or stored for treatment, payment, or health care
- 83 operations as those terms are defined in 45 C.F.R. Parts 160, 162, and 164.
- 84 (7) "Business associate" means the same as that term is defined in 45 C.F.R. Sec. 160.103.
- 85 (8) "Child" means an individual younger than 13 years old.
- 86 (9) "Companion chatbot operator" means the same as the term "operator" is defined in
- 87 Section 63N-22b-101.
- 88 [~~9~~] (10) "Consent" means an affirmative act by a consumer that unambiguously indicates
- 89 the consumer's voluntary and informed agreement to allow a person to process personal
- 90 data related to the consumer.
- 91 [~~10~~] (11)(a) "Consumer" means an individual who is a resident of the state acting in an
- 92 individual or household context.
- 93 (b) "Consumer" does not include an individual acting in an employment or commercial
- 94 context.
- 95 [~~11~~] (12) "Control" or "controlled" as used in Subsection (2) means:
- 96 (a) ownership of, or the power to vote, more than 50% of the outstanding shares of any

97 class of voting securities of an entity;

98 (b) control in any manner over the election of a majority of the directors or of the
99 individuals exercising similar functions; or

100 (c) the power to exercise controlling influence of the management of an entity.

101 ~~[(12)]~~ (13) "Controller" means a person doing business in the state who determines the
102 purposes for which and the means by which personal data are processed, regardless of
103 whether the person makes the determination alone or with others.

104 ~~[(13)]~~ (14) "Covered entity" means the same as that term is defined in 45 C.F.R. Sec.
105 160.103.

106 ~~[(14)]~~ (15)(a) "Deidentified data" means data that:

107 (i) cannot reasonably be linked to an identified individual or an identifiable
108 individual; and

109 (ii) are possessed by a controller who:

110 (A) takes reasonable measures to ensure that a person cannot associate the data
111 with an individual;

112 (B) publicly commits to maintain and use the data only in deidentified form and
113 not attempt to reidentify the data; and

114 (C) contractually obligates any recipients of the data to comply with the
115 requirements described in ~~[Subsections (14)(b)(i) and (ii)]~~ Subsections
116 (15)(a)(ii)(A) and (B).

117 (b) "Deidentified data" includes synthetic data.

118 ~~[(15)]~~ (16) "Director" means the director of the Division of Consumer Protection.

119 ~~[(16)]~~ (17) "Division" means the Division of Consumer Protection created in Section 13-2-1.

120 ~~[(17)]~~ (18) "Governmental entity" means the same as that term is defined in Section
121 63G-2-103.

122 ~~[(18)]~~ (19) "Health care facility" means the same as that term is defined in Section
123 26B-2-201.

124 ~~[(19)]~~ (20) "Health care provider" means the same as that term is defined in Section
125 78B-3-403.

126 ~~[(20)]~~ (21) "Identifiable individual" means an individual who can be readily identified,
127 directly or indirectly.

128 ~~[(21)]~~ (22) "Institution of higher education" means a public or private institution of higher
129 education.

130 ~~[(22)]~~ (23) "Local political subdivision" means the same as that term is defined in Section

- 131 11-14-102.
- 132 [~~(23)~~] (24) "Nonprofit corporation" means:
- 133 (a) the same as that term is defined in Section 16-6a-102; or
- 134 (b) a foreign nonprofit corporation as defined in Section 16-6a-102.
- 135 [~~(24)~~] (25)(a) "Personal data" means information that is linked or reasonably linkable to
- 136 an identified individual or an identifiable individual.
- 137 (b) "Personal data" does not include deidentified data, aggregated data, or publicly
- 138 available information.
- 139 [~~(25)~~] (26) "Process" means an operation or set of operations performed on personal data,
- 140 including collection, use, storage, disclosure, analysis, deletion, or modification of
- 141 personal data.
- 142 [~~(26)~~] (27) "Processor" means a person who processes personal data on behalf of a
- 143 controller.
- 144 [~~(27)~~] (28) "Protected health information" means the same as that term is defined in 45
- 145 C.F.R. Sec. 160.103.
- 146 [~~(28)~~] (29) "Pseudonymous data" means personal data that cannot be attributed to a specific
- 147 individual without the use of additional information, if the additional information is:
- 148 (a) kept separate from the consumer's personal data; and
- 149 (b) subject to appropriate technical and organizational measures to ensure that the
- 150 personal data are not attributable to an identified individual or an identifiable
- 151 individual.
- 152 [~~(29)~~] (30) "Publicly available information" means information that a person:
- 153 (a) lawfully obtains from a record of a governmental entity;
- 154 (b) reasonably believes a consumer or widely distributed media has lawfully made
- 155 available to the general public; or
- 156 (c) if the consumer has not restricted the information to a specific audience, obtains from
- 157 a person to whom the consumer disclosed the information.
- 158 [~~(30)~~] (31) "Right" means a consumer right described in Section 13-61-201.
- 159 [~~(31)~~] (32)(a) "Sale," "sell," or "sold" means the exchange of personal data for monetary
- 160 consideration by a controller to a third party.
- 161 (b) "Sale," "sell," or "sold" does not include:
- 162 (i) a controller's disclosure of personal data to a processor who processes the personal
- 163 data on behalf of the controller;
- 164 (ii) a controller's disclosure of personal data to an affiliate of the controller;

- 165 (iii) considering the context in which the consumer provided the personal data to the
166 controller, a controller's disclosure of personal data to a third party if the purpose
167 is consistent with a consumer's reasonable expectations;
- 168 (iv) the disclosure or transfer of personal data when a consumer directs a controller to:
169 (A) disclose the personal data; or
170 (B) interact with one or more third parties;
- 171 (v) a consumer's disclosure of personal data to a third party for the purpose of
172 providing a product or service requested by the consumer or a parent or legal
173 guardian of a child;
- 174 (vi) the disclosure of information that the consumer:
175 (A) intentionally makes available to the general public via a channel of mass
176 media; and
177 (B) does not restrict to a specific audience; or
- 178 (vii) a controller's transfer of personal data to a third party as an asset that is part of a
179 proposed or actual merger, an acquisition, or a bankruptcy in which the third party
180 assumes control of all or part of the controller's assets.

181 [(32)] (33)(a) "Sensitive data" means:

- 182 (i) personal data that reveals:
183 (A) an individual's racial or ethnic origin;
184 (B) an individual's religious beliefs;
185 (C) an individual's sexual orientation;
186 (D) an individual's citizenship or immigration status; or
187 (E) information regarding an individual's medical history, mental or physical
188 health condition, or medical treatment or diagnosis by a health care
189 professional;
- 190 (ii) the processing of genetic personal data or biometric data, if the processing is for
191 the purpose of identifying a specific individual; or
- 192 (iii) specific geolocation data.
- 193 (b) "Sensitive data" does not include personal data that reveals an individual's:
194 (i) racial or ethnic origin, if the personal data are processed by a video
195 communication service; or
196 (ii) if the personal data are processed by a person licensed to provide health care
197 under Title 26B, Chapter 2, Part 2, Health Care Facility Licensing and Inspection,
198 or Title 58, Occupations and Professions, information regarding an individual's

199 medical history, mental or physical health condition, or medical treatment or
200 diagnosis by a health care professional.

201 ~~[(33)]~~ (34)(a) "Specific geolocation data" means information derived from technology,
202 including global position system level latitude and longitude coordinates, that directly
203 identifies an individual's specific location, accurate within a radius of 1,750 feet or
204 less.

205 (b) "Specific geolocation data" does not include:

206 (i) the content of a communication; or

207 (ii) any data generated by or connected to advanced utility metering infrastructure
208 systems or equipment for use by a utility.

209 ~~[(34)]~~ (35) "Synthetic data" means data that has been generated by computer algorithms or
210 statistical models and does not contain personal data.

211 ~~[(35)]~~ (36)(a) "Targeted advertising" means displaying an advertisement to a consumer
212 where the advertisement is selected based on personal data obtained from the
213 consumer's activities over time and across nonaffiliated websites or online
214 applications to predict the consumer's preferences or interests.

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

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

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

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

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

223 (A) performance;

224 (B) reach; or

225 (C) frequency.

226 ~~[(36)]~~ (37) "Third party" means a person other than:

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

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

229 ~~[(37)]~~ (38) "Trade secret" means information, including a formula, pattern, compilation,
230 program, device, method, technique, or process, that:

231 (a) derives independent economic value, actual or potential, from not being generally

232 known to, and not being readily ascertainable by proper means by, other persons who

233 can obtain economic value from the information's disclosure or use; and
 234 (b) is the subject of efforts that are reasonable under the circumstances to maintain the
 235 information's secrecy.

236 Section 2. Section **13-61-102** is amended to read:

237 **13-61-102 (Effective 08/01/26). Applicability.**

238 (1) This chapter applies to:

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

240 ~~[(a)]~~ (i)~~[(i)]~~ (A) conducts business in the state; or

241 ~~[(i)]~~ (B) produces a product or service that is targeted to consumers who are
 242 residents of the state;

243 ~~[(b)]~~ (ii) has annual revenue of \$25,000,000 or more; and

244 ~~[(c)]~~ (iii) satisfies one or more of the following thresholds:

245 ~~[(i)]~~ (A) during a calendar year, controls or processes personal data of 100,000 or
 246 more consumers; or

247 ~~[(i)]~~ (B) derives over 50% of the entity's gross revenue from the sale of personal
 248 data and controls or processes personal data of 25,000 or more consumers~~[-]~~ ; or

249 (b) a companion chatbot operator.

250 (2) This chapter does not apply to:

251 (a) a governmental entity or a third party under contract with a governmental entity
 252 when the third party is acting on behalf of the governmental entity;

253 (b) a tribe;

254 (c) an institution of higher education;

255 (d) a nonprofit corporation;

256 (e) a covered entity;

257 (f) a business associate;

258 (g) information that meets the definition of:

259 (i) protected health information for purposes of the federal Health Insurance
 260 Portability and Accountability Act of 1996, 42 U.S.C. Sec. 1320d et seq., and
 261 related regulations;

262 (ii) patient identifying information for purposes of 42 C.F.R. Part 2;

263 (iii) identifiable private information for purposes of the Federal Policy for the
 264 Protection of Human Subjects, 45 C.F.R. Part 46;

265 (iv) identifiable private information or personal data collected as part of human
 266 subjects research ~~[pursuant to]~~ in accordance with or under the same standards as:

- 267 (A) the good clinical practice guidelines issued by the International Council for
268 Harmonisation; or
- 269 (B) the Protection of Human Subjects under 21 C.F.R. Part 50 and Institutional
270 Review Boards under 21 C.F.R. Part 56;
- 271 (v) personal data used or shared in research conducted in accordance with one or
272 more of the requirements described in Subsection (2)(g)(iv);
- 273 (vi) information and documents created specifically for, and collected and maintained
274 by, a committee but not a board or council listed in Section 26B-1-204;
- 275 (vii) information and documents created for purposes of the federal Health Care
276 Quality Improvement Act of 1986, 42 U.S.C. Sec. 11101 et seq., and related
277 regulations;
- 278 (viii) patient safety work product for purposes of 42 C.F.R. Part 3; or
- 279 (ix) information that is:
- 280 (A) deidentified in accordance with the requirements for deidentification set forth
281 in 45 C.F.R. Part 164; and
- 282 (B) derived from any of the health care-related information listed in this
283 Subsection (2)(g);
- 284 (h) information originating from, and intermingled to be indistinguishable with,
285 information under Subsection (2)(g) that is maintained by:
- 286 (i) a health care facility or health care provider; or
- 287 (ii) a program or a qualified service organization as defined in 42 C.F.R. Sec. 2.11;
- 288 (i) information used only for public health activities and purposes as described in 45
289 C.F.R. Sec. 164.512;
- 290 (j)(i) an activity by:
- 291 (A) a consumer reporting agency, as defined in 15 U.S.C. Sec. 1681a;
- 292 (B) a furnisher of information, as set forth in 15 U.S.C. Sec. 1681s-2, who
293 provides information for use in a consumer report, as defined in 15 U.S.C. Sec.
294 1681a; or
- 295 (C) a user of a consumer report, as set forth in 15 U.S.C. Sec. 1681b;
- 296 (ii) subject to regulation under the federal Fair Credit Reporting Act, 15 U.S.C. Sec.
297 1681 et seq.; and
- 298 (iii) involving the collection, maintenance, disclosure, sale, communication, or use of
299 any personal data bearing on a consumer's:
- 300 (A) credit worthiness;

- 301 (B) credit standing;
- 302 (C) credit capacity;
- 303 (D) character;
- 304 (E) general reputation;
- 305 (F) personal characteristics; or
- 306 (G) mode of living;
- 307 (k) a financial institution or an affiliate of a financial institution governed by, or personal
- 308 data collected, processed, sold, or disclosed in accordance with, Title V of the
- 309 Gramm-Leach-Bliley Act, 15 U.S.C. Sec. 6801 et seq., and related regulations;
- 310 (l) personal data collected, processed, sold, or disclosed in accordance with the federal
- 311 Driver's Privacy Protection Act of 1994, 18 U.S.C. Sec. 2721 et seq.;
- 312 (m) personal data regulated by the federal Family Education Rights and Privacy Act, 20
- 313 U.S.C. Sec. 1232g, and related regulations;
- 314 (n) personal data collected, processed, sold, or disclosed in accordance with the federal
- 315 Farm Credit Act of 1971, 12 U.S.C. Sec. 2001 et seq.;
- 316 (o) data that are processed or maintained:
- 317 (i) in the course of an individual applying to, being employed by, or acting as an
- 318 agent or independent contractor of a controller, processor, or third party, to the
- 319 extent the collection and use of the data are related to the individual's role;
- 320 (ii) as the emergency contact information of an individual described in Subsection
- 321 (2)(o)(i) and used for emergency contact purposes; or
- 322 (iii) to administer benefits for another individual relating to an individual described in
- 323 Subsection (2)(o)(i) and used for the purpose of administering the benefits;
- 324 (p) an individual's processing of personal data for purely personal or household
- 325 purposes; or
- 326 (q) an air carrier.
- 327 (3) A controller is in compliance with any obligation to obtain parental consent under this
- 328 chapter if the controller complies with the verifiable parental consent mechanisms under
- 329 the Children's Online Privacy Protection Act, 15 U.S.C. Sec. 6501 et seq., and the act's
- 330 implementing regulations and exemptions.
- 331 (4) This chapter does not require a person to take any action in conflict with the federal
- 332 Health Insurance Portability and Accountability Act of 1996, 42 U.S.C. Sec. 1320d et
- 333 seq., or related regulations.
- 334 Section 3. Section **63I-2-213** is amended to read:

335 **63I-2-213 (Effective 08/01/26). Repeal dates: Title 13.**

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

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

339 Section 4. Section **63N-22-101**, which is renumbered from Section 13-72-101 is renumbered
340 and amended to read:

341 **~~[13-72-101]~~ 63N-22-101 (Effective 08/01/26) (Repealed 07/01/27). Definitions.**

342 As used in this chapter:

343 (1) "Applicant" means a person that applies for participation in the regulatory learning
344 laboratory.

345 (2) "Artificial intelligence" means a machine-based system that makes predictions,
346 recommendations, or decisions influencing real or virtual environments.

347 (3) "Artificial intelligence technology" means a computer system, application, or other
348 product that uses or incorporates one or more forms of artificial intelligence.

349 [~~(4) "Department" means the Department of Commerce.~~]

350 [~~(5)~~ (4) "Director" means the director of the office.

351 [~~(6)~~ (5) "Executive director" means the executive director [~~of the Department of Commerce~~]
352 of the Governor's Office of Economic Opportunity.

353 [~~(7)~~ (6) "Learning agenda" means the areas of artificial intelligence applications, risks, and
354 policy considerations selected by the office for focus by the learning laboratory.

355 [~~(8)~~ (7) "Learning laboratory" means the artificial intelligence analysis and research
356 program created in Section [~~13-72-301~~] 63N-22-301.

357 [~~(9)~~ (8) "Office" means the Office of Artificial Intelligence Policy created in Section [~~13-74-201~~]
358 63N-22-201.

359 [~~(10)~~ (9) "Participant" means a person that is accepted to participate in the learning
360 laboratory.

361 [~~(11)~~ (10) "Regulatory mitigation agreement" means an agreement between a participant,
362 the office, and relevant state agencies described in Section 63N-22-302.[~~13-72-302.~~]

363 [~~(12)~~ (11) "Regulatory mitigation" means:

364 (a) when restitution to users may be required;

365 (b) terms and conditions related to any cure period before penalties may be assessed;

366 (c) any reduced civil fines during the participation term; and

367 (d) other terms tailored to identified issues of the artificial intelligence technology.

368 Section 5. Section **63N-22-201**, which is renumbered from Section 13-72-201 is renumbered

369 and amended to read:

370 ~~[13-72-201]~~ 63N-22-201 (Effective 08/01/26) (Repealed 07/01/27). **Creation of**
371 **Office of Artificial Intelligence Policy -- Director appointed -- Duties and authority.**

- 372 (1) There is created [~~in the department~~] within the Governor's Office of Economic
373 Opportunity the Office of Artificial Intelligence Policy.
- 374 (2) The executive director of [~~the department~~] GOEO shall appoint a director to oversee the
375 management and operations of the office.
- 376 (3) The office shall:
- 377 (a) create and administer an artificial intelligence learning laboratory program;
- 378 (b) consult with businesses and other stakeholders in the state about potential regulatory
379 proposals;
- 380 (c) make rules in accordance with Title 63G, Chapter 3, Utah Administrative
381 Rulemaking Act, establishing:
- 382 (i) procedures, requirements, and fees to apply to participate in the learning
383 laboratory program;
- 384 (ii) criteria for invitation, acceptance, denial, or removal of participants;
- 385 (iii) data usage limitations and cybersecurity criteria for participants;
- 386 (iv) required participant disclosures to consumers;
- 387 (v) reporting requirements for participants to the office;
- 388 (vi) criteria for limited extension of the participation period; and
- 389 (vii) other requirements necessary to administer the learning laboratory; and
- 390 (d) report annually, before November 30, to the Business and Labor Interim Committee
391 regarding:
- 392 (i) the proposed learning agenda for the learning laboratory;
- 393 (ii) the findings, participation, and outcomes of the learning laboratory; and
- 394 (iii) recommended legislation from findings from the learning laboratory.

395 Section 6. Section **63N-22-301**, which is renumbered from Section 13-72-301 is renumbered
396 and amended to read:

397 ~~[13-72-301]~~ 63N-22-301 (Effective 08/01/26) (Repealed 07/01/27). **Artificial**
398 **Intelligence Learning Laboratory Program.**

- 399 (1) There is established the Artificial Intelligence Learning Laboratory Program, to be
400 administered by the office.
- 401 (2) The purpose of the learning laboratory is to:
- 402 (a) analyze and research the risks, benefits, impacts, and policy implications of artificial

- 403 intelligence technologies to inform the state regulatory framework;
- 404 (b) encourage development of artificial intelligence technologies in the state;
- 405 (c) evaluate the effectiveness and viability of current, potential, or proposed regulation
- 406 on artificial intelligence technologies with artificial intelligence companies; and
- 407 (d) produce findings and recommendations for legislation and regulation of artificial
- 408 intelligence.
- 409 (3)(a) The office shall periodically set a learning agenda for the learning laboratory that
- 410 establishes the specific areas of artificial intelligence policy the office intends to
- 411 study.
- 412 (b) In establishing the learning agenda, the office may consult with:
- 413 (i) relevant agencies;
- 414 (ii) industry leaders;
- 415 (iii) academic institutions in the state; and
- 416 (iv) key stakeholders with relevant knowledge, experience, or expertise in the area.
- 417 (4) The office may invite and receive an application from a person to participate in the
- 418 learning laboratory.
- 419 (5) The office shall establish the procedures and requirements for sending an invitation and
- 420 receiving requests to participate in the learning laboratory in accordance with the
- 421 purposes of the learning laboratory.
- 422 (6) In selecting participants for the learning laboratory, the office shall consider:
- 423 (a) the relevance and utility of an invitee or applicant's artificial intelligence technology
- 424 to the learning agenda;
- 425 (b) the invitee or applicant's expertise and knowledge specific to the learning agenda; and
- 426 (c) other factors identified by the office as relevant to participation in the learning
- 427 laboratory.
- 428 (7) The office shall work with participants to establish benchmarks and assess outcomes of
- 429 participation in the learning laboratory.

430 Section 7. Section **63N-22-302**, which is renumbered from Section 13-72-302 is renumbered

431 and amended to read:

432 **~~[13-72-302]~~ 63N-22-302 (Effective 08/01/26) (Repealed 07/01/27). Regulatory**

433 **mitigation agreements.**

- 434 (1) A participant who uses or wants to utilize an artificial intelligence technology in the
- 435 state may apply for regulatory mitigation according to criteria and procedures outlined
- 436 by the office by rule made under Section ~~[13-72-201]~~ 63N-22-201.

- 437 (2) The office may grant, on a temporary basis, regulatory mitigation to a participant by
438 entering into a regulatory mitigation agreement with the office and relevant agencies.
- 439 (3) To receive regulatory mitigation, a participant must demonstrate that the applicant
440 meets eligibility criteria established in Section [~~13-72-303~~] 63N-22-303.
- 441 (4) A regulatory mitigation agreement between a participant and the office and relevant
442 agencies shall specify:
- 443 (a) limitations on scope of the use of the participant's artificial intelligence technology,
444 including:
- 445 (i) the number and types of users;
- 446 (ii) geographic limitations; and
- 447 (iii) other limitations to implementation;
- 448 (b) safeguards to be implemented; and
- 449 (c) any regulatory mitigation granted to the applicant.
- 450 (5) The office shall consult with relevant agencies regarding appropriate terms in a
451 regulatory mitigation agreement.
- 452 (6) A participant remains subject to all legal and regulatory requirements not expressly
453 waived or modified by the terms of the regulatory mitigation agreement.
- 454 (7)(a) The office may remove a participant at any time and for any reason, and the
455 participant does not have an expectation of a property right or license to participate in
456 the learning laboratory.
- 457 (b) A participant demonstrating an artificial intelligence technology that violates legal or
458 regulatory requirements or the terms of the participation agreement may be
459 immediately removed from further participation and subject to all applicable civil and
460 criminal penalties.
- 461 (8) Participation in the learning laboratory does not constitute an endorsement or approval
462 from the state.
- 463 (9) The state shall not be responsible for any claims, liabilities, damages, losses, or
464 expenses arising out of a participant's involvement in the learning laboratory.

465 Section 8. Section **63N-22-304**, which is renumbered from Section 13-72-304 is renumbered
466 and amended to read:

467 **[~~13-72-304~~] 63N-22-304 (Effective 08/01/26) (Repealed 07/01/27). Participation in**
468 **Artificial Intelligence Learning Laboratory.**

469 (1)(a) The office may approve an applicant to participate in the program.

470 (b) An approved applicant becomes a participant by entering into a participation

471 agreement with the office and relevant state agencies.

472 (2) A participant shall:

473 (a) provide required information to state agencies in accordance with the terms of the
474 participation agreement; and

475 (b) report to the office as required in the participation agreement.

476 (3) The office may establish additional cybersecurity auditing procedures applicable to
477 participants demonstrating artificial intelligence technologies that the office considers
478 higher risk.

479 (4) A participant shall retain records as required by office rule or the participation
480 agreement.

481 (5) A participant shall immediately report to the office any incidents resulting in consumer
482 harm, privacy breach, or unauthorized data usage, which may result in removal of the
483 participant from the learning laboratory.

484 Section 9. Section **63N-22-305**, which is renumbered from Section 13-72-305 is renumbered
485 and amended to read:

486 **[13-72-305] 63N-22-305 (Effective 08/01/26) (Repealed 07/01/27). Program**
487 **extension.**

488 (1) An initial regulatory mitigation agreement shall be in force for no longer than 12
489 months.

490 (2) A participant may request a single 12-month extension for participation in the learning
491 laboratory period no later than 30 days before the end of the initial 12-month period.

492 (3) The office shall grant or deny an extension request before expiration of the initial
493 demonstration period.

494 Section 10. Section **63N-22b-101** is enacted to read:

495 **CHAPTER 22b. Companion Chatbot Safety Act**

496 **Part 1. General Provisions**

497 **63N-22b-101 (Effective 08/01/26). Definitions.**

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

501 (i) the request is provided to the user in a clear and conspicuous standalone disclosure;

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

- 504 (iii) the request is made in a manner reasonably accessible to and usable by a user
505 with a disability;
- 506 (iv) the option to refuse to give consent is at least as prominent as the option to give
507 consent, and the option to refuse to give consent takes the same number of steps or
508 fewer as the option to give consent; and
- 509 (v) affirmative consent to an act or practice is not inferred from the inaction of the
510 user or the user's continued use of a chatbot provided by the chatbot provider.
- 511 (b) "Affirmative consent" does not include:
- 512 (i) acceptance of a general or broad terms of use or similar document;
513 (ii) hovering over, muting, pausing, or closing a given piece of content;
514 (iii) an agreement obtained through the use of a false, fraudulent, or materially
515 misleading statement or representation; or
516 (iv) an agreement obtained through the use of a dark pattern.
- 517 (2) "Artificial intelligence" means the same as that term is defined in Section 63N-22-101.
- 518 (3) "Companion chatbot" means an artificial intelligence system that uses a natural
519 language interface that:
- 520 (a) uses personal data retained, stored, or retrieved from a prior interaction and generates
521 an output that:
- 522 (i) simulates a relationship with the user; or
523 (ii) indicates the companion chatbot has emotions, feelings, memories, or personal
524 opinions; and
- 525 (b) generates an output containing an affective or social inquiry that:
- 526 (i) is not logically required to resolve a user prompt or task-based command; or
527 (ii) prioritizes extension of the interaction over task resolution.
- 528 (4) "Core functioning" means features and services for which the collection or processing
529 of the user's personal data is reasonably necessary to provide the companion chatbot
530 service to the user.
- 531 (5) "Dark pattern" means a user interface designed or manipulated with the substantial
532 effect of subverting or impairing user autonomy, decision-making, or choice, and
533 includes any practice the Federal Trade Commission refers to as a "dark pattern."
- 534 (6) "Interaction" means a user input and a subsequent response by a companion chatbot.
- 535 (7) "Material harmful to minors" means the same as that term is defined in Section
536 76-5c-101.
- 537 (8) "Minor" means an individual under 18 years old that:

- 538 (a) has not been emancipated as that term is defined in Section 80-7-102; or
 539 (b) has not been married.
- 540 (9) "Office" means the Governor's Office of Economic Opportunity created in Section
 541 63N-1a-301.
- 542 (10) "Operator" means a person who makes a companion chatbot available to a user in the
 543 state.
- 544 (11) "Personal data" means the same as that term is defined in Section 13-61-101.
- 545 (12) "Sensitive data" means the same as that term is defined in Section 13-61-101.
- 546 (13) "Targeted advertising" means the same as that term is defined in Section 13-61-101.
- 547 (14) "User" means an individual who:
- 548 (a) interacts with a companion chatbot; and
 549 (b) is a Utah resident.

550 Section 11. Section **63N-22b-201** is enacted to read:

551 **Part 2. Safety Requirements**

552 **63N-22b-201 (Effective 08/01/26). Safety requirements for users.**

- 553 (1) An operator shall comply with the requirements of Chapter 61, Utah Consumer Privacy
 554 Act, including:
- 555 (a) allowing a user to obtain a copy of the user's interactions with a companion chatbot
 556 that are retained by the operator in a format that is portable and readily usable in
 557 accordance with Section 13-61-201; and
- 558 (b) obtaining a user's affirmative consent before processing the user's sensitive data in
 559 accordance with Section 13-61-302.
- 560 (2) An operator shall prevent the companion chatbot from engaging with a user unless:
- 561 (a) the operator prevents the companion chatbot from generating responses that
 562 encourage suicidal ideation, suicide, self-harm, or harm to others; and
- 563 (b) if the user expresses suicidal ideation, self-harm, or harm to others, the companion
 564 chatbot provides to the user resources including a referral to:
- 565 (i) crisis service providers;
 566 (ii) a suicide hotline; or
 567 (iii) a crisis text line.
- 568 (3) An operator may not advertise a specific product or service to the user, unless the
 569 operator clearly and conspicuously, in the companion chatbot's interaction with the user:
- 570 (a) identifies the advertisement as an advertisement; and
 571 (b) discloses to the user any sponsorship, business affiliation, or agreement that the

572 operator has with a person to promote, advertise, or recommend the advertised
573 product or service.

574 Section 12. Section **63N-22b-202** is enacted to read:

575 **63N-22b-202 (Effective 08/01/26). Additional safety requirements for minor**
576 **users.**

577 (1) An operator shall, for a user who is a minor:

578 (a) provide a clear and conspicuous notice to the user at least every hour during a
579 continuing chatbot interaction that:

580 (i) reminds the user to take a break from interacting with the companion chatbot; and

581 (ii) states that the user is interacting with an artificial intelligence system, not a
582 human; and

583 (b) opt out, by default, the user from targeted advertising.

584 (2) An operator may not, for a user who is a minor:

585 (a) produce or provide material harmful to minors;

586 (b) direct a user to material harmful to minors;

587 (c) encourage the user to:

588 (i) use illegal substances;

589 (ii) consume alcohol;

590 (iii) use a tobacco or nicotine product;

591 (iv) engage in sexual conduct;

592 (v) engage in self-harm; or

593 (vi) engage in illegal conduct;

594 (d) direct targeted advertising to the user unless a parent or legal guardian of the user has
595 provided affirmative consent;

596 (e) collect data from the user that is not required for core functioning of the companion
597 chatbot;

598 (f) sell a user's personal data; or

599 (g) otherwise convey a user's personal data unless a parent or legal guardian of the user
600 has provided affirmative consent, except as required for core functioning of the
601 companion chatbot.

602 (3) The requirements of this section are in addition to the requirements of Section
603 63N-22b-201.

604 Section 13. Section **63N-22b-301** is enacted to read:

605 **Part 3. Rulemaking and Reporting**

606 **63N-22b-301 (Effective 08/01/26). Office rulemaking.**

607 In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
 608 office may make rules:

609 (1) establishing reasonable age assurance standards that an operator may meet to qualify for
 610 the safe harbor described in Section 63N-22b-402, including standards for:

611 (a) third-party age assurance services;

612 (b) protecting user privacy and data security;

613 (c) verifying the reliability and accuracy of age assurance methods; and

614 (d) retaining, protecting, and securely disposing of any information obtained as a result
 615 of age assurance;

616 (2) establishing the form of the report required in Section 63N-22b-302; and

617 (3) establishing standards an operator may meet to qualify for the safe harbor described in
 618 Section 63N-22b-402, including:

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

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

623 (c) measures and processes to reduce mental and physical risk to a user; and

624 (d) disclosure, transparency, and reporting requirements relevant to Subsections
 625 (3)(a)-(c).

626 Section 14. Section **63N-22b-302** is enacted to read:

627 **63N-22b-302 (Effective 08/01/26). Reporting requirements.**

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

629 (a) the number of times the operator has issued a crisis service provider referral
 630 notification in accordance with Section 63N-22b-202 in the preceding calendar year;

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

633 (c) methods the operator has implemented to prevent a companion chatbot response
 634 about suicidal ideation or actions with the user.

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

636 Section 15. Section **63N-22b-401** is enacted to read:

637 **Part 4. Enforcement and Safe Harbor**

638 **63N-22b-401 (Effective 08/01/26). Enforcement.**

639 (1) The office shall administer this chapter and monitor operator compliance with the

- 640 provisions of this chapter.
- 641 (2) The office may investigate potential violations of this chapter, including by:
- 642 (a) reviewing reports submitted under Section 63N-22b-302;
- 643 (b) auditing an operator's compliance with the requirements of this chapter; and
- 644 (c) issuing a determination of violation to an operator that the office finds to be in
- 645 noncompliance with this chapter.
- 646 (3) Upon issuing a determination of violation under Subsection (2)(c), the office shall refer
- 647 the matter to the attorney general for civil enforcement.
- 648 (4) The attorney general may bring a civil action in a court of competent jurisdiction to
- 649 enforce a provision of this chapter. In such an action, the court may:
- 650 (a) declare that an act or practice violates a provision of this chapter;
- 651 (b) issue an injunction for a violation of this chapter;
- 652 (c) order disgorgement of money received in violation of this chapter;
- 653 (d) order payment of disgorged money to an injured user or consumer;
- 654 (e) impose a civil penalty of up to \$2,500 for each violation of this chapter; or
- 655 (f) award other relief that the court determines reasonable and necessary.
- 656 (5) A court may impose a civil penalty of no more than \$50,000 for each violation of an
- 657 administrative or court order issued for a violation of this chapter.
- 658 (6) A civil penalty authorized under this section shall be paid to the Division of Finance for
- 659 deposit into the General Fund.
- 660 (7) If a court awards judgment or injunctive relief to the attorney general under this section,
- 661 the court shall award reasonable attorney fees and court costs.
- 662 (8) Nothing in this chapter displaces any other available remedies or rights authorized under
- 663 the laws of this state or the United States.

664 Section 16. Section **63N-22b-402** is enacted to read:

665 **63N-22b-402 (Effective 08/01/26). Safe harbor.**

- 666 (1) An operator bears the burden of demonstrating by clear and convincing evidence that
- 667 the operator qualifies for a safe harbor described in this section.
- 668 (2) An operator is not liable for a violation of Section 63N-22b-202 if the operator uses an
- 669 age assurance method that meets the standards established by rule made in accordance
- 670 with Section 63N-22b-301.
- 671 (3) An operator is not liable for a violation of this chapter if the operator meets the
- 672 standards established by office rule made in accordance with Subsection
- 673 63N-22b-301(3).

674 Section 17. Section **63N-22b-501** is enacted to read:

675 **Part 5. Severability**

676 **63N-22b-501 (Effective 08/01/26). Severability.**

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

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

682 Section 18. **Effective Date.**

683 This bill takes effect on August 1, 2026.