

1 AN ACT concerning business.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the
5 Consumer Artificial Intelligence Notice Act.

6 Section 5. Definitions. As used in this Act:

7 "Conversational customer service artificial intelligence
8 system" means a product that:

9 (1) uses "artificial intelligence" as defined in
10 Section 2-101 of the Illinois Human Rights Act; and

11 (2) engages in real-time, interactive text-based or
12 voice-based conversation directly with a consumer through
13 a chat, messaging, or voice interface.

14 "Conversational customer service artificial intelligence
15 system" does not include internal business operations,
16 marketing, pricing, analytics activities, or other
17 transactions that do not involve a direct, real-time
18 interaction between the person and the consumer.

19 "Chat interface" means an online interface that allows a
20 consumer to exchange real-time, interactive text messages or
21 voice communications with a conversational artificial
22 intelligence system.

23 "Clear and conspicuous" means that the disclosure appears

1 as a separate message, either verbally or in writing, in the
2 language that the user is interacting and communicating with
3 the conversational customer service artificial intelligence
4 system at the beginning of the interaction in at least the same
5 font size and color as the consumer's messages if the
6 disclosure is in writing or in a manner that clearly calls
7 attention to the verbal disclosure.

8 "Product" means any tangible object or goods distributed
9 in commerce, including any service provided in connection with
10 the product.

11 Section 10. Requirements. A person who uses a
12 conversational customer service artificial intelligence system
13 in a chat interface to communicate with a consumer shall
14 provide the consumer with a clear and conspicuous disclosure
15 that the consumer is communicating with an automated system
16 and not with a human.

17 Section 15. Application.

18 (a) Nothing in this Act shall be construed to:

19 (1) regulate the use of artificial intelligence that
20 does not interact directly with consumers through a chat
21 interface, including, but not limited to, artificial
22 intelligence used solely for internal analytics, fraud
23 detection, inventory management, pricing, or
24 recommendation systems, or other similar internal

1 applications; or

2 (2) impose liability on a business entity for the
3 design or outputs of a conversational customer service
4 artificial intelligence developed or provided by a third
5 party if the business entity complies with the disclosure
6 requirements of this Act.

7 (b) The remedies provided by this Act are cumulative and
8 do not preclude any other lawful civil, administrative, or
9 criminal remedy available under State or federal law,
10 including, but not limited to, product liability actions.

11 Section 20. Enforcement.

12 (a) The Attorney General or the State's Attorney of any
13 county in this State may bring an action in the name of the
14 People of this State against any person to restrain and
15 prevent any pattern or practice in violation of Section 10.
16 Any person that may be subject to an action for a violation of
17 Section 10 shall be given at least 7 days advanced notice by
18 the Attorney General or State's Attorney prior to the
19 commencement of an action to enforce Section 10. The person
20 receiving the notice shall have the opportunity to provide an
21 assurance of voluntary compliance to the Attorney General or
22 the State's Attorney and the Attorney General or the State's
23 Attorney may accept the assurance when submitted. The failure
24 to perform the terms of the assurance constitutes prima facie
25 evidence of a violation of Section 10.

1 (b) A violation of Section 10 constitutes an unlawful
2 practice under the Consumer Fraud and Deceptive Business
3 Practices Act. All remedies, penalties, and authority granted
4 to the Attorney General or the State's Attorney by the
5 Consumer Fraud and Deceptive Business Practices Act shall be
6 available to the Attorney General or the State's Attorney for
7 the enforcement of Section 10.

8 Section 25. Action for actual damages. Any person who
9 suffers actual damage as a result of a violation of Section 10
10 may bring an action under Section 10a of the Consumer Fraud and
11 Deceptive Business Practices Act.

12 Section 30. Home rule. The regulation of disclosures
13 related to the use of artificial intelligence in commercial
14 communications with consumers is an exclusive power and
15 function of the State. A home rule unit may not regulate
16 disclosures related to the use of artificial intelligence in
17 commercial communications with consumers. This Section is a
18 denial and limitation of home rule powers and functions under
19 subsection (h) of Section 6 of Article VII of the Illinois
20 Constitution.

21 Section 900. The Consumer Fraud and Deceptive Business
22 Practices Act is amended by adding Section 2MMMM as follows:

1 (815 ILCS 505/2MMMM new)

2 Sec. 2MMMM. Violations of the Consumer Artificial
3 Intelligence Notice Act. Any person who violates Section 10 of
4 the Consumer Artificial Intelligence Notice Act commits an
5 unlawful practice within the meaning of this Act.