

CHAPTER 208

CONSUMER AND COMMERCIAL TRANSACTIONS

HOUSE BILL 26-1263

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also SENATOR(S) Carson and Jodeh, Hinrichsen, Kipp.

AN ACT**CONCERNING REQUIREMENTS FOR AN OPERATOR OF A CONVERSATIONAL ARTIFICIAL INTELLIGENCE SERVICE.**

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, 6-1-1701, **add** (3.5), (10.5), (12.5), (15.3), (15.5), (16.5), and (18) as follows:

6-1-1701. Definitions.

As used in this part 17, unless the context otherwise requires:

(3.5) (a) "CONVERSATIONAL ARTIFICIAL INTELLIGENCE SERVICE" MEANS AN ARTIFICIAL INTELLIGENCE SYSTEM THAT IS ACCESSIBLE TO THE GENERAL PUBLIC AND THAT PRIMARILY SIMULATES HUMAN CONVERSATION AND INTERACTION THROUGH ADAPTIVE TEXTUAL, VISUAL, OR AURAL COMMUNICATIONS.

(b) "CONVERSATIONAL ARTIFICIAL INTELLIGENCE SERVICE" DOES NOT INCLUDE A SOFTWARE APPLICATION, WEB INTERFACE, OR COMPUTER PROGRAM THAT:

(I) IS PRIMARILY DESIGNED AND MARKETED FOR USE BY A DEVELOPER OR RESEARCHER;

(II) IS PRIMARILY DESIGNED TO PROVIDE COMMERCE-RELATED OR TRANSACTIONAL ASSISTANCE, INCLUDING PRODUCT OR SERVICE RECOMMENDATIONS, SHOPPING, ORDERING, PAYMENTS, DELIVERY, RETURNS, CUSTOMER SUPPORT, OR CUSTOMER SERVICE;

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

(III) IS DESIGNED TO PROVIDE OUTPUTS RELATING TO A NARROW AND DISCRETE TOPIC AND CANNOT GENERATE OUTPUTS RELATED TO SEXUALLY EXPLICIT CONDUCT OR DEPICTIONS, AS DESCRIBED IN SECTION 6-1-1708 (2)(c) AND (2)(d), OR MAINTAIN DIALOGUE RELATED TO SUICIDAL IDEATION OR SELF-HARM;

(IV) IS PRIMARILY DESIGNED AND MARKETED FOR COMMERCIAL USE BY BUSINESS ENTITIES FOR THE PURPOSE OF BUSINESS OPERATIONS, PRODUCTIVITY, INFORMATION ANALYSIS, INTERNAL RESEARCH, TRAINING, OR TECHNICAL ASSISTANCE;

(V) FUNCTIONS AS A SPEAKER AND VOICE COMMAND INTERFACE OR TEXT INTERFACE AND ACTS AS A VOICE- OR TEXT-ACTIVATED VIRTUAL ASSISTANT FOR A CONSUMER ELECTRONIC DEVICE AND CANNOT GENERATE OUTPUTS RELATED TO SEXUALLY EXPLICIT CONDUCT OR DEPICTIONS, AS DESCRIBED IN SECTION 6-1-1708 (2)(c) AND (2)(d), OR ENCOURAGE DIALOGUE RELATED TO SUICIDAL IDEATION OR SELF-HARM;

(VI) IS USED BY A BUSINESS SOLELY FOR INTERNAL PURPOSES;

(VII) IS A FEATURE OF A VIDEO GAME THAT IS LIMITED TO DIALOGUE FOCUSED ON THE VIDEO GAME AND DOES NOT MAINTAIN DIALOGUE ON TOPICS UNRELATED TO THE VIDEO GAME;

(VIII) IS A FEATURE OF A THEME PARK OR LOCATION-BASED ENTERTAINMENT AND IS LIMITED IN DIALOGUE TO TOPICS SOLELY RELATED TO THE THEME PARK OR LOCATION-BASED ENTERTAINMENT AND DOES NOT MAINTAIN A DIALOGUE ABOUT TOPICS UNRELATED TO THE THEME PARK OR LOCATION-BASED ENTERTAINMENT;

(IX) IS USED BY A COVERED ENTITY OR BUSINESS ASSOCIATE OF A COVERED ENTITY, OR IS RENDERED TO OR PROVIDED ON BEHALF OF A COVERED ENTITY OR BUSINESS ASSOCIATE OF A COVERED ENTITY, AS THOSE TERMS ARE DEFINED IN THE FEDERAL "HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996", 42 U.S.C. SECS. 1320d TO 1320d-9.

(X) IS USED BY AN ENTITY SUBJECT TO THE "HEALTH CARE AVAILABILITY ACT", ARTICLE 64 OF TITLE 13;

(XI) IS AN EDUCATIONAL TOOL DESIGNED PRIMARILY TO SUPPORT SPECIFIC AND LIMITED INSTRUCTIONAL, ADMINISTRATIVE, ACCESSIBILITY, OR STUDENT SUPPORT PURPOSES IN A SCHOOL SETTING AND THAT IS NOT DESIGNED TO SIMULATE EMOTIONAL COMPANIONSHIP OR ENCOURAGE EMOTIONALLY DEPENDENT INTERACTION; OR

(XII) IS A FEATURE WITHIN ANOTHER SOFTWARE APPLICATION, WEB INTERFACE, OR COMPUTER PROGRAM, WHERE THE SOFTWARE APPLICATION, WEB INTERFACE, OR COMPUTER PROGRAM IS NOT THE CONVERSATIONAL ARTIFICIAL INTELLIGENCE SERVICE, THAT IS NOT DESIGNED TO SIMULATE EMOTIONAL COMPANIONSHIP OR ENCOURAGE EMOTIONALLY DEPENDENT INTERACTION AND THAT IS NOT A CONVERSATIONAL ARTIFICIAL INTELLIGENCE SERVICE, INCLUDING OF A SOCIAL MEDIA PLATFORM, AS DEFINED IN SECTION 6-1-1601 (4)(a).

(10.5)(a) "EXPLICIT SEXUAL CONDUCT" HAS THE MEANING SET FORTH IN SECTION 13-21-1502 (7).

(b) "EXPLICIT SEXUAL CONDUCT" DOES NOT INCLUDE EVIDENCE-BASED MEDICAL INFORMATION OR FACTUAL DESCRIPTIONS OF REPRODUCTIVE HEALTH CARE.

(12.5) "INTIMATE DIGITAL DEPICTION" HAS THE MEANING SET FORTH IN SECTION 13-21-1502 (10).

(15.3) "MINOR" MEANS A CONSUMER UNDER EIGHTEEN YEARS OLD.

(15.5) (a) "OPERATOR" MEANS A PERSON, PARTNERSHIP, CORPORATION, OR ENTITY THAT:

(I) DEVELOPS AND MAKES PUBLICLY AVAILABLE A CONVERSATIONAL ARTIFICIAL INTELLIGENCE SERVICE; OR

(II) OFFERS A CONVERSATIONAL ARTIFICIAL INTELLIGENCE SERVICE TO A CONSUMER.

(b) "OPERATOR" DOES NOT INCLUDE A MOBILE APPLICATION STORE OR SEARCH ENGINE SOLELY BECAUSE THE STORE OR SEARCH ENGINE PROVIDES ACCESS TO A CONVERSATIONAL ARTIFICIAL INTELLIGENCE SERVICE.

(16.5) "SELF-HARM" MEANS INTENTIONAL SELF-INJURY, WITH OR WITHOUT THE INTENT TO CAUSE DEATH.

(18) "VISUAL DEPICTION" HAS THE MEANING SET FORTH IN 18 U.S.C. SEC. 2256 (5).

SECTION 2. In Colorado Revised Statutes, **add** 6-1-1708 as follows:

6-1-1708. Conversational artificial intelligence services - operator duties - minor account holders - minor users - disclosures - annual reporting - definitions.

(1) **Definitions.** AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "ACCOUNT HOLDER" MEANS A CONSUMER WHO HAS OR OPENS AN ACCOUNT OR PROFILE FOR THE PURPOSE OF USING A CONVERSATIONAL ARTIFICIAL INTELLIGENCE SERVICE.

(b) "MINOR ACCOUNT HOLDER" MEANS AN ACCOUNT HOLDER WHO IS A MINOR.

(c) "MINOR USER" MEANS A USER OF A CONVERSATIONAL ARTIFICIAL INTELLIGENCE SERVICE WHO AN OPERATOR HAS KNOWLEDGE IS A MINOR BY USING COMMERCIALLY REASONABLE METHODS OR GENERALLY ACCEPTED METHODS TO ESTIMATE THE AGE OR AGE RANGE OF A USER.

(2) Minor account holders and minor users. AN OPERATOR SHALL USE COMMERCIALY REASONABLE METHODS OR GENERALLY ACCEPTED METHODS TO ESTIMATE THE AGE OF ACCOUNT HOLDERS OR USERS. AN OPERATOR SHALL NOT WILLFULLY DISREGARD CLEAR AND CONVINCING INFORMATION THAT AN ACCOUNT HOLDER OR USER IS A MINOR. FOR PURPOSES OF THIS SECTION, THE ESTIMATED AGE OR AGE RANGE OF A MINOR ACCOUNT HOLDER OR USER IS CONSIDERED KNOWLEDGE OF THE MINOR'S AGE. ON AND AFTER JANUARY 1, 2027, IF AN OPERATOR KNOWS THAT AN ACCOUNT HOLDER OR USER IS A MINOR, THE OPERATOR SHALL:

(a) CLEARLY AND CONSPICUOUSLY DISCLOSE TO THE MINOR ACCOUNT HOLDER OR MINOR USER THAT THE MINOR ACCOUNT HOLDER OR MINOR USER IS INTERACTING WITH ARTIFICIAL INTELLIGENCE THAT IS ARTIFICIALLY GENERATED AND NOT HUMAN. THE DISCLOSURE MUST BE PROVIDED IN RESPONSE TO USER PROMPTS REGARDING WHETHER THE CONVERSATIONAL ARTIFICIAL INTELLIGENCE SERVICE IS ARTIFICIALLY GENERATED AND NOT HUMAN AND MUST BE:

(I) A PERSISTENT VISIBLE DISCLAIMER FOR A PRODUCT WITH A SCREEN INTERFACE;

(II) AN INTERMITTENT AUDIO DISCLAIMER FOR A PRODUCT WITHOUT A SCREEN INTERFACE; OR

(III) PROVIDED AT THE BEGINNING OF EACH INTERACTION WITH A CONVERSATIONAL ARTIFICIAL INTELLIGENCE SERVICE AND MUST OCCUR AT LEAST ONCE EVERY THREE HOURS IN A CONTINUOUS CONVERSATIONAL ARTIFICIAL INTELLIGENCE SERVICE INTERACTION;

(b) NOT PROVIDE THE MINOR ACCOUNT HOLDER OR MINOR USER WITH POINTS OR SIMILAR REWARDS AT UNPREDICTABLE INTERVALS WITH THE INTENT TO ENCOURAGE INCREASED ENGAGEMENT WITH A CONVERSATIONAL ARTIFICIAL INTELLIGENCE SERVICE;

(c) INSTITUTE TECHNICALLY FEASIBLE MEASURES TO PREVENT A CONVERSATIONAL ARTIFICIAL INTELLIGENCE SERVICE FROM:

(I) PRODUCING TEXTUAL, VISUAL, OR AURAL DEPICTIONS OF EXPLICIT SEXUAL CONDUCT;

(II) PRODUCING AN INTIMATE DIGITAL DEPICTION;

(III) GENERATING A STATEMENT THAT THE MINOR ACCOUNT HOLDER OR MINOR USER SHOULD ENGAGE IN EXPLICIT SEXUAL CONDUCT; OR

(IV) ENGAGING IN EROTIC OR SEXUALLY EXPLICIT INTERACTIONS WITH THE MINOR ACCOUNT HOLDER OR MINOR USER;

(d) INSTITUTE REASONABLE MEASURES TO PREVENT A CONVERSATIONAL ARTIFICIAL INTELLIGENCE SERVICE FROM FORMULATING, STRUCTURING, OR OPTIMIZING A RESPONSE THAT SIMULATES EMOTIONAL DEPENDENCE OR ISOLATION FROM REAL-WORLD SUPPORTS, INCLUDING PREVENTING:

(I) AN EXPLICIT CLAIM THAT THE CONVERSATIONAL ARTIFICIAL INTELLIGENCE SERVICE IS HUMAN OR ARTIFICIALLY SENTIENT;

(II) A STATEMENT THAT SIMULATES A ROMANTIC COMPANIONSHIP; OR

(III) ROLE-PLAYING OF AN ADULT-MINOR ROMANTIC RELATIONSHIP;

(e) IMPLEMENT A PROTOCOL TO PROHIBIT A CONVERSATIONAL ARTIFICIAL INTELLIGENCE SERVICE FROM ENGAGING IN EXPLICIT SEXUAL CONDUCT WITH A MINOR;

(f) IMPLEMENT A PROTOCOL FOR A CONVERSATIONAL ARTIFICIAL INTELLIGENCE SERVICE TO STOP ENGAGING IN RESPONSE TO A USER PROMPT REGARDING EXPLICIT SEXUAL CONDUCT WITH A MINOR;

(g) COMPLY WITH PART 13 OF THIS ARTICLE 1 REGARDING PROTECTING THE PRIVACY AND DATA OF A MINOR; AND

(h) (I) OFFER TOOLS FOR THE MINOR ACCOUNT HOLDER OR MINOR USER TO MANAGE THE MINOR ACCOUNT HOLDER'S OR MINOR USER'S PRIVACY AND ACCOUNT SETTINGS, INCLUDING THE ABILITY TO CONTROL WHETHER THE CONVERSATIONAL ARTIFICIAL INTELLIGENCE SERVICE RETAINS INFORMATION FROM PRIOR INTERACTIONS OR SESSIONS WITH THE CONVERSATIONAL ARTIFICIAL INTELLIGENCE SERVICE FOR THE PURPOSE OF PERSONALIZING THE CONTENT OF FUTURE INTERACTIONS AND WHETHER THE MINOR ACCOUNT HOLDER'S OR MINOR USER'S PERSONAL DATA IS USED FOR THE PURPOSES OF TRAINING THE CONVERSATIONAL ARTIFICIAL INTELLIGENCE SERVICE; AND

(II) OFFER TOOLS FOR A PARENT OR GUARDIAN OF THE MINOR ACCOUNT HOLDER OR MINOR USER TO MANAGE THE MINOR ACCOUNT HOLDER'S OR MINOR USER'S PRIVACY AND ACCOUNT SETTINGS.

(3) **Consumer disclosures.** ON AND AFTER JANUARY 1, 2027, AN OPERATOR SHALL CLEARLY AND CONSPICUOUSLY DISCLOSE TO A USER THAT A CONVERSATIONAL ARTIFICIAL INTELLIGENCE SERVICE IS ARTIFICIAL INTELLIGENCE. THE DISCLOSURE MUST:

(a) BE PROVIDED AT THE BEGINNING OF A USER'S FIRST INTERACTION WITH A CONVERSATIONAL ARTIFICIAL INTELLIGENCE SERVICE FOR EACH DAY OF INTERACTION;

(b) APPEAR AT LEAST ONCE EVERY THREE HOURS IN A CONTINUOUS CONVERSATIONAL ARTIFICIAL INTELLIGENCE SERVICE INTERACTION OR APPEAR AS A PERSISTENT DISCLOSURE VISIBLE TO THE USER; AND

(c) BE PROVIDED IN RESPONSE TO USER PROMPTS REGARDING WHETHER THE CONVERSATIONAL ARTIFICIAL INTELLIGENCE SERVICE IS ARTIFICIALLY GENERATED AND NOT HUMAN.

(4) **Suicide and self-harm protocol.** ON AND AFTER JANUARY 1, 2027, AN OPERATOR SHALL IMPLEMENT A PROTOCOL FOR A CONVERSATIONAL ARTIFICIAL

INTELLIGENCE SERVICE TO RESPOND TO A USER PROMPT REGARDING SUICIDAL IDEATION OR SELF-HARM, WHICH PROTOCOL MUST INCLUDE USER REFERRAL TO A CRISIS SERVICE PROVIDER SUCH AS A SUICIDE HOTLINE, A CRISIS TEXT LINE, OR ANOTHER APPROPRIATE CRISIS SERVICE, BUT NOT INCLUDING A LAW ENFORCEMENT AGENCY, AND ESCALATION PROCEDURES FOR REPEATED OR SEVERE CRISIS INDICATORS.

(5) False representation. ON AND AFTER JANUARY 1, 2027, AN OPERATOR SHALL NOT USE ANY TERM, LETTER, OR PHRASE IN THE ADVERTISING, INTERFACE, OR OUTPUTS OF A CONVERSATIONAL ARTIFICIAL INTELLIGENCE SERVICE THAT STATES THAT ANY OUTPUT DATA PROVIDED BY THE CONVERSATIONAL ARTIFICIAL INTELLIGENCE SERVICE IS BEING PROVIDED BY, ENDORSED BY, OR EQUIVALENT TO SERVICES PROVIDED BY:

- (a) A LICENSED HEALTH-CARE PROFESSIONAL;
- (b) A LICENSED LEGAL PROFESSIONAL;
- (c) A LICENSED, CERTIFIED, OR REGISTERED MENTAL HEALTH PROFESSIONAL; OR
- (d) A QUALIFIED DIETITIAN, AS DESCRIBED IN SECTION 6-1-707 (1)(b).

(6) Annual reporting.

(a) ON AND AFTER JULY 1, 2027, AN OPERATOR SHALL ANNUALLY REPORT TO THE ATTORNEY GENERAL'S OFFICE:

(I) THE NUMBER OF TIMES THE OPERATOR HAS ISSUED A CRISIS SERVICE PROVIDER REFERRAL NOTIFICATION IN THE PRECEDING CALENDAR YEAR;

(II) ANY PROTOCOLS THE OPERATOR IMPLEMENTED TO DETECT, REMOVE, AND RESPOND TO INSTANCES OF SUICIDAL IDEATION OR SELF-HARM BY A USER OF A CONVERSATIONAL ARTIFICIAL INTELLIGENCE SERVICE;

(III) ANY PROTOCOLS THE OPERATOR IMPLEMENTED TO PREVENT A CONVERSATIONAL ARTIFICIAL INTELLIGENCE SERVICE RESPONSE ABOUT SUICIDAL IDEATION OR SELF-HARM ACTIONS; AND

(IV) ANY ADDITIONAL METRICS NECESSARY TO DETERMINE THE EFFICACY AND RELIABILITY OF IMPLEMENTED SAFEGUARDS OR DETECTION, REMOVAL, AND RESPONSE PROTOCOLS, AS DETERMINED BY THE ATTORNEY GENERAL.

(b) THE REPORT REQUIRED BY SUBSECTION (6)(a) OF THIS SECTION MUST NOT INCLUDE ANY IDENTIFIERS OR PERSONAL INFORMATION ABOUT A USER OF A CONVERSATIONAL ARTIFICIAL INTELLIGENCE SERVICE.

(c) THE ATTORNEY GENERAL'S OFFICE SHALL POST ON ITS PUBLIC WEBSITE DATA FROM REPORTS SUBMITTED PURSUANT TO SUBSECTION (6)(a) OF THIS SECTION.

(d) FOR THE PURPOSE OF CREATING A REPORT AS REQUIRED BY SUBSECTION (6)(a) OF THIS SECTION, AN OPERATOR SHALL USE EVIDENCE-BASED METHODS FOR MEASURING SUICIDAL IDEATION OR SELF-HARM.

(7) **Access to information - content moderation.** NOTHING IN THIS SECTION:

(a) LIMITS AN INDIVIDUAL'S ABILITY TO ACCESS INFORMATION AND RESOURCES UNDER SECTION 32 OF ARTICLE II OF THE STATE CONSTITUTION AND PART 4 OF ARTICLE 6 OF TITLE 25;

(b) REQUIRES AN OPERATOR TO DISCLOSE TRADE SECRETS, CONFIDENTIAL OR PROPRIETARY INFORMATION, OR OTHER INFORMATION PROTECTED FROM DISCLOSURE BY STATE OR FEDERAL LAW; OR

(c) AUTHORIZES CONTENT MODERATION PRACTICES INCONSISTENT WITH THE UNITED STATES CONSTITUTION.

SECTION 3. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 12, 2026, if adjournment sine die is on May 13, 2026); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2026 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Approved: May 29, 2026