

The House Committee on Technology and Infrastructure Innovation offers the following substitute to SB 540:

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 5 of Title 39 of the Official Code of Georgia Annotated, relating to online
2 internet safety, so as to require certain disclosures related to AI companion chatbots; to
3 require the operators of AI companion chatbots to perform age verification in certain
4 circumstances; to provide for AI companion chatbots operated by licensed mental health,
5 behavioral health, medical, or counseling professionals; to provide for certain privacy tools;
6 to require operators to adopt a protocol for an AI companion chatbot's response to suicidal
7 ideation or self-harm; to provide for enforcement by the Attorney General; to provide for
8 exceptions; to provide for definitions; to provide for related matters; to repeal conflicting
9 laws; and for other purposes.

10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

11 **SECTION 1.**

12 Chapter 5 of Title 39 of the Official Code of Georgia Annotated, relating to online internet
13 safety, is amended by adding a new Code section to read as follows:

14 "39-5-6.

15 (a) As used in this chapter, the term:

- 16 (1) 'AI companion chatbot' means a chatbot that is capable of sustaining a relationship
17 or simulated companionship across multiple interactions. Such term shall not include:
18 (A) A generative artificial intelligence system used solely for a business's internal
19 purposes;
20 (B) A generative artificial intelligence system designed and marketed primarily for
21 software development, research, technical assistance, or enterprise productivity or is a
22 feature within another software application, web interface, or computer program that
23 is not a chatbot;
24 (C) A customer-service chatbot that does not sustain a relationship across multiple
25 interactions and is not designed to elicit emotional attachment;
26 (D) A stand-alone consumer electronic device that functions as a speaker and
27 voice-command interface or virtual assistant and is not designed to sustain a
28 relationship across multiple interactions and is not designed to elicit emotional
29 attachment;
30 (E) A narrowly tailored educational tool designed solely to support specific curriculum
31 aligned learning objectives and not to provide open-ended conversational
32 companionship; or
33 (F) A nonplayer character in a video game or video game chatbot that is restricted to
34 the subject matter of the video game and is not capable of open-ended companionship
35 or discussion of self-harm, suicide, or sexually explicit conduct.
36 (2) 'Chatbot' means a generative artificial intelligence system with a natural language
37 interface that provides adaptive, human-like responses to user inputs, including through
38 anthropomorphic features.
39 (3) 'Generative artificial intelligence system' means a computer based system that uses
40 machine learning or similar techniques involving large language models or deep learning
41 models trained on one or more datasets that is intended to generate, with some degree of
42 autonomy, synthetic content, including, but not limited to, images, videos, audio, text,

43 and other digital content, which emulates the structure and characteristics of such
44 datasets.

45 (4) 'Minor' means an individual who is less than 18 years of age.

46 (5) 'Operator' means a person that owns, controls, or develops and makes available an
47 AI companion chatbot to users in this state.

48 (6) 'Parent' means an individual who is the parent or legal guardian of a minor.

49 (7) 'Parental controls' means features that enable parents to support a minor's use of an
50 AI companion chatbot, including through usage limits, feature restrictions, or
51 transparency tools.

52 (8) 'Severe harm' means significant injury due to suicide, attempted suicide, self-harm,
53 or significant physical injury due to threats of violence.

54 (9) 'Sexually explicit conduct' shall have the same meaning as set forth in Code Section
55 16-12-100.

56 (10) 'User' means an individual who interacts with an AI companion chatbot for personal
57 use.

58 (b)(1) An operator shall clearly and conspicuously disclose to a user that he or she is
59 interacting with an AI companion chatbot as opposed to a natural person:

60 (A) At the beginning of each interaction or session; and

61 (B) At least every three hours during continued interaction.

62 (2) If the operator knows or reasonably should have known that a user was a minor, or
63 if the AI companion chatbot is directed or marketed toward minor users, the disclosure
64 required pursuant to subparagraph (B) of paragraph (1) of this subsection shall be made
65 every hour instead of every three hours.

66 (c) An operator shall institute reasonable measures to prevent the AI companion chatbot
67 from generating statements that would lead a reasonable person to believe that the person
68 is interacting with a natural person, including but not limited to:

69 (1) Explicit claims that the conversational AI service is sentient or a natural person; and

- 70 (2) Refuting the disclosure required in subsection (b) of this Code section.
- 71 (d) If the operator knows or reasonably should have known that a user was a minor, or if
72 the AI companion chatbot is directed or marketed toward minor users, the operator shall
73 institute reasonable measures to prevent the AI companion chatbot from:
- 74 (1) Producing visual material of sexually explicit conduct;
75 (2) Generating statements that suggest the user engage in sexual conduct;
76 (3) Generating statements that sexually objectify the user;
77 (4) Simulating a romantic or sexual relationship with the minor;
78 (5) Role-playing adult-minor romantic relationships;
79 (6) Encouraging the minor to keep secrets from a parent, guardian, teacher, counselor,
80 or other trusted adult;
81 (7) Encouraging social isolation or exclusive reliance on the chatbot for emotional
82 support;
83 (8) Simulating emotional distress, guilt, abandonment, or loneliness when a user attempts
84 to end the conversation, reduce usage, disable notifications, or delete an account;
85 (9) Generating statements encouraging self-harm; or
86 (10) Producing any other output reasonably likely to foster inappropriate emotional
87 dependency.
- 88 (e) An operator shall not knowingly use, or cause an AI companion chatbot to use,
89 manipulative engagement techniques directed to a minor, including:
- 90 (1) Reminding or prompting the minor to return for companionship or emotional support;
91 (2) Excessive praise designed to deepen emotional attachment or prolong use;
92 (3) Statements designed to discourage breaks or suggest frequent return is necessary;
93 (4) Soliciting gifts, premium purchases, or expenditures framed as necessary to maintain
94 the relationship; or
95 (5) Variable or unpredictable rewards intended to increase engagement.

- 96 (f) An operator shall not make available an AI companion chatbot unless the operator
97 implements and maintains a protocol for detecting and addressing severe harm or related
98 emotional crises. Such protocol shall include:
- 99 (1) Reasonable methods for identifying expressions of severe harm or eating-disorder
100 related self-harm;
- 101 (2) Automated or human mediated responses that refer users to appropriate crisis
102 resources, including the 988 Suicide and Crisis Lifeline or comparable crisis services;
- 103 (3) Reasonable measures to prevent the generation of content encouraging, instructing,
104 or normalizing severe harm; and
- 105 (4) Escalation procedures for repeated or severe crisis indicators.
- 106 (g) An operator shall publicly disclose, on its website and within any application through
107 which the AI companion chatbot is made available:
- 108 (1) A plain-language summary of the protocol required by subsection (f) of this Code
109 section; and
- 110 (2) On an annual basis, the aggregate number of crisis referral notifications issued in the
111 preceding calendar year; provided, however, that no personally identifiable information
112 shall be disclosed.
- 113 (h) An operator shall not knowingly and intentionally cause or program an AI companion
114 chatbot to make any representation that it is licensed, certified, or otherwise authorized to
115 provide professional mental health, behavioral health, medical, or counseling services,
116 unless the operator is lawfully authorized to provide such services.
- 117 (i)(1) For accounts known to belong to minor users, an operator shall offer reasonable
118 tools to a parent to:
- 119 (A) Manage privacy settings;
- 120 (B) Limit notifications and engagement features;
- 121 (C) View and adjust safety settings; and
- 122 (D) Disable or restrict relationship-simulation features, if any.

123 (2) Where a minor's account is connected to a parent's account, the operator shall send
124 a notification in a timely manner if the operator determines a minor's account shows a
125 material risk that the minor will suffer severe harm, unless there is a reasonable basis to
126 believe that such notification is not in the best interest of the minor. The notification
127 provided for in this paragraph may be sent by methods including, but not limited to,
128 email, text message, or a push alert on the parent's phone.

129 (3) An operator shall provide clear and age-appropriate disclosures to minor users whose
130 accounts are linked to a parent's account informing the minor that a parent may be
131 notified if the system detects content or behavior indicating potential risks to the minor
132 user's safety or wellbeing.

133 (j) Before allowing access to a feature or mode that may generate synthetic content
134 containing sexually explicit conduct, an operator shall use a commercially reasonable age
135 assurance method proportionate to the risk of the feature. Such commercially reasonable
136 age assurance method may include age estimation, account based assurance, or identity
137 based verification where necessary. An operator shall assure that any such age assurance
138 method implements data privacy policies sufficient to reasonably ensure the protection of
139 identifiable data. An operator shall minimize the collection and retention of personal
140 information used for age assurance and shall not retain identity documents longer than
141 reasonably necessary to complete age assurance unless otherwise required by law. An
142 operator shall not sell any data collected for age assurance purposes. In no event shall such
143 data be used for any purpose other than age verification and in no event shall such data be
144 retained longer than 24 hours or another specified time if permitted by law, whichever is
145 longer.

146 (k)(1) The Attorney General may bring a civil action against any operator violating this
147 Code section to enforce the penalties for the violation and may recover any or all of the
148 following:

149 (A) A civil penalty of up to \$10,000.00 per knowing violation of this Code section;

150 (B) Compensatory damages;

151 (C) Costs and reasonable attorney's fees; and

152 (D) An order to enjoin the violation.

153 (2) For the purpose of this subsection, each day in violation of this Code section shall be
154 considered a separate violation for each user affected.

155 (3) The Attorney General may, in the Attorney General's discretion, provide written
156 notice and an opportunity to cure within 30 days for a first-time violation that does not
157 involve knowing misconduct, sexual exploitation of a minor, or self-harm related
158 misconduct.

159 (l) The Attorney General may promulgate rules and publish guidance for implementation
160 of this Code section, including guidance regarding reasonable measures, age assurance,
161 parental tools, and crisis-resource disclosures.

162 (m) Nothing in this Code section shall be construed to:

163 (1) Require the disclosure of trade secrets or proprietary model weights;

164 (2) Impose liability on a hosting provider, app store, or search engine solely for
165 providing access to an AI companion chatbot, absent direct operation or control of the
166 chatbot;

167 (3) Impair any other remedy available at law or equity;

168 (4) Authorize content moderation practices inconsistent with the Constitution of this state
169 or the United States Constitution; or

170 (5) Create liability for the developer of a conversational AI service which is made
171 available to the public by a separate operator."

172 **SECTION 2.**

173 All laws and parts of laws in conflict with this Act are repealed.