

119TH CONGRESS
2^D SESSION

S. _____

To require the creation of family accounts for children to be able to use artificial intelligence chatbots, to require verifiable parental consent for teens using artificial intelligence chatbots, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. CRUZ (for himself, Mr. SCHATZ, Mr. CURTIS, and Mr. SCHIFF) introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To require the creation of family accounts for children to be able to use artificial intelligence chatbots, to require verifiable parental consent for teens using artificial intelligence chatbots, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Children’s Health, Ad-
5 vancement, Trust, Boundaries, and Oversight in Tech-
6 nology Act” or the “CHATBOT Act”.

7 **SEC. 2. DEFINITIONS.**

8 In this Act:

1 (1) ARTIFICIAL INTELLIGENCE.—The term “ar-
2 tificial intelligence” has the meaning given such
3 term in section 5002 of the National Artificial Intel-
4 ligence Initiative Act of 2020 (15 U.S.C. 9401).

5 (2) ARTIFICIAL INTELLIGENCE CHATBOT.—The
6 term “artificial intelligence chatbot” means artificial
7 intelligence that, in an open-ended natural-language
8 or multimodal manner—

9 (A) accepts user input;

10 (B) engages in interactive conversations
11 with a user; and

12 (C) provides outputs that are not—

13 (i) pre-determined or scripted;

14 (ii) limited to contextualized replies or
15 to a narrow, specified purpose, such as—

16 (I) customer service;

17 (II) any operational purpose of a
18 business;

19 (III) productivity and analysis re-
20 lated to source information;

21 (IV) internal research; or

22 (V) technical assistance; or

23 (iii) limited to an educational product
24 or service that primarily provides informa-
25 tion, experience, training, or instruction for

1 the purpose of building any knowledge,
2 skill, or craft.

3 (3) CHILD.—The term “child” means an indi-
4 vidual who is under the age of 13.

5 (4) COMMISSION.—The term “Commission”
6 means the Federal Trade Commission.

7 (5) COVERED ENTITY.—The term “covered en-
8 tity” means any public-facing website, online service,
9 or software application that, as its primary function,
10 provides an artificial intelligence chatbot to users.

11 (6) KNOW.—The term “know” means to have
12 actual knowledge or knowledge fairly implied on the
13 basis of objective circumstances.

14 (7) PARENT.—With respect to a child or teen,
15 the term “parent” includes a legal guardian of the
16 child or teen.

17 (8) PERSONAL DATA.—The term “personal
18 data” has the meaning given the term “personal in-
19 formation” in section 1302 of the Children’s Online
20 Privacy Protection Act of 1998 (15 U.S.C. 6501).

21 (9) TARGETED ADVERTISING.—The term “tar-
22 geted advertising”—

23 (A) means advertising or any other effort
24 to market a product or service to a child or teen

1 user based on any personal data collected from
2 the child or teen; and

3 (B) does not include—

4 (i) advertising or marketing to a child
5 or teen user in response to the most recent
6 prompt input by the child or teen user;

7 (ii) contextual advertising, such as
8 when an advertisement is displayed to a
9 child based on the content of the website,
10 online service, or software application of a
11 covered entity in which the advertisement
12 appears and does not vary based on the
13 personal data of the child or teen user; or

14 (iii) processing personal data solely
15 for the purpose of measuring or reporting
16 advertising or content performance, reach,
17 or frequency, including independent meas-
18 urement.

19 (10) TEEN.—The term “teen” means an indi-
20 vidual who has attained 13 years of age but has not
21 attained 18 years of age.

22 (11) TRANSPARENCY LABEL.—The term
23 “transparency label” means a notice that—

24 (A) is clearly and conspicuously displayed
25 to a user;

- 1 (B) disappears only if the user—
2 (i) exits the artificial intelligence
3 chatbot; or
4 (ii) affirmatively dismisses the notice;
5 and
6 (C) discloses that—
7 (i) the artificial intelligence chatbot is
8 artificial intelligence and not a natural per-
9 son; and
10 (ii) any output of the artificial intel-
11 ligence chatbot is generated using artificial
12 intelligence.

13 (12) USER.—The term “user” means, with re-
14 spect to a covered entity, an individual who registers
15 an account or creates a profile in order to access the
16 artificial intelligence chatbot of the covered entity.

17 **SEC. 3. FAMILY ACCOUNT REQUIREMENT FOR CHILDREN;**
18 **TERMINATION OF EXISTING USER ACCOUNTS**
19 **AND PROFILES; DELETION OF PERSONAL**
20 **DATA.**

21 (a) CREATION AND MAINTENANCE OF FAMILY AC-
22 COUNTS.—A covered entity shall require an individual to
23 create and maintain a family account that meets the re-
24 quirements described in section 5 to access an artificial

1 intelligence chatbot of the covered entity if the covered en-
2 tity knows such individual is a child.

3 (b) TERMINATION OF EXISTING USER ACCOUNTS
4 AND PROFILES OF CHILD AND TEEN USERS.—A covered
5 entity shall terminate any user account or profile of an
6 artificial intelligence chatbot of the covered entity that ex-
7 ists as of the effective date of this Act if the covered entity
8 knows such user is—

9 (1) a child and such child has not created a
10 family account; or

11 (2) a teen and the parent of such teen has not
12 provided verifiable parental consent pursuant to sec-
13 tion 4(a)(1).

14 (c) DELETION OF PERSONAL DATA OF CHILDREN
15 AND TEENS.—

16 (1) IN GENERAL.—Subject to paragraph (2),
17 upon termination of a user account or profile pursu-
18 ant to subsection (b), a covered entity shall imme-
19 diately delete all personal data collected from the
20 user or submitted by the user (including data of the
21 user collected from or submitted by the parent of
22 such user) to the artificial intelligence chatbot of
23 such entity.

24 (2) ACCESS OF CHILDREN AND TEENS TO PER-
25 SONAL DATA.—During the 90-day period beginning

1 on the date on which a covered entity terminates a
2 user account or profile pursuant to subsection (b), to
3 the extent technically feasible and not in violation of
4 any licensing agreement, the covered entity shall
5 make available to such user or parent of such user,
6 upon request, a copy of the personal data collected
7 from the user or submitted by the user to the artifi-
8 cial chatbot of such entity in—

9 (A) a manner that is readable and able to
10 be understood by a reasonable person; and

11 (B) a portable, structured, and machine-
12 readable format.

13 (3) RULE OF CONSTRUCTION.—Nothing in this
14 subsection shall be construed to prohibit a covered
15 entity from retaining—

16 (A) a record of the termination of a user
17 account or profile; and

18 (B) the minimum information necessary
19 for ensuring compliance with this section.

20 **SEC. 4. VERIFIABLE PARENTAL CONSENT AND OPTION FOR**
21 **FAMILY ACCOUNTS FOR TEENS.**

22 (a) IN GENERAL.—

23 (1) NOTICE AND VERIFIABLE PARENTAL CON-
24 SENT.—Prior to an individual’s creation of a user
25 account or profile with an artificial intelligence

1 chatbot of a covered entity, if the covered entity
2 knows such individual is a teen, the covered entity
3 shall—

4 (A) provide direct notice to a parent of the
5 teen of the attempt by such teen to create such
6 user account or profile; and

7 (B) obtain verifiable parental consent (as
8 defined in section 1302(9) of the Children’s On-
9 line Privacy Protection Act (15 U.S.C.
10 6501(9))) from the parent of the teen in order
11 for the teen to create such user account or pro-
12 file.

13 (2) OPTION FOR FAMILY ACCOUNTS.—In ob-
14 taining verifiable parental consent under paragraph
15 (1), a covered entity shall provide a parent of a teen
16 with the option to create a family account for the
17 teen that meets the requirements described in sec-
18 tion 5.

19 (3) DEFAULT FEATURES.—

20 (A) IN GENERAL.—Subject to subpara-
21 graph (B), if the parent of a teen user does not
22 create a family account for the teen as per-
23 mitted in paragraph (2), a covered entity shall
24 set and fix any feature or setting described in
25 section (5)(a)(1) at the default setting required

1 by section 5(b)(1) for the user account or pro-
2 file of such teen.

3 (B) LATER CREATION OF A FAMILY AC-
4 COUNT.—If a parent of a teen user creates a
5 family account for the teen user after such teen
6 user first creates a user account or profile, the
7 covered entity shall permit such parent to ad-
8 just any default setting set and fixed under
9 subparagraph (A).

10 (4) REASONABLE EFFORTS.—A covered entity
11 shall be deemed compliant with the requirements of
12 this subsection if the covered entity is in compliance
13 with the requirements of the Children’s Online Pri-
14 vacy Protection Act of 1998 (15 U.S.C. 6501 et
15 seq.) to use reasonable efforts (taking into consider-
16 ation available technology) to provide a parent with
17 direct notice and to obtain verifiable parental con-
18 sent.

19 (b) REVOCATION OF CONSENT.—

20 (1) IN GENERAL.—With respect to a parent of
21 a teen who has provided verifiable parental consent
22 under subsection (a)(1), a covered entity shall pro-
23 vide such parent with the ability to revoke such con-
24 sent.

1 (A) limit the amount of time the child or
2 teen is able to spend using the artificial intel-
3 ligence chatbot of the covered entity;

4 (B) disable rewards or incentives, including
5 badges or other visual award symbols, based on
6 frequency, time spent, or the activity of the
7 child or teen using the artificial intelligence
8 chatbot;

9 (C) disable notifications and push alerts;

10 (D) disable any financial transaction made
11 available while using the artificial intelligence
12 chatbot;

13 (E) disable the generation of an output
14 from the artificial intelligence chatbot that is
15 not in response to the input of a user; and

16 (F) enable a requirement that the covered
17 entity display a transparency label and set the
18 intervals at which the transparency label should
19 be displayed;

20 (2) set the number of inputs that, or the period
21 of time during which, an artificial intelligence
22 chatbot may use the personal data of, or such inputs
23 provided by, a child or teen user to generate outputs
24 before such data and such inputs must be deleted

1 from any memory used by the artificial intelligence
2 chatbot to generate outputs;

3 (3) access—

4 (A) a full record of the conversations and
5 activity of the child or teen with such artificial
6 intelligence chatbot; and

7 (B) features that allow the parent to mon-
8 itor, analyze, and understand, at scale, the
9 record of such conversations and activity; and

10 (4) receive customized notifications or other
11 alerts when the child or teen attempts to bypass,
12 disable, or violate any parental control or setting de-
13 scribed in paragraph (1).

14 (b) DEFAULT SAFEGUARDS AND PARENTAL CON-
15 TROL OPTIONS.—

16 (1) DEFAULT SAFEGUARDS.—Each covered en-
17 tity shall ensure that the default setting of any pa-
18 rental control or setting described in subsection (a)
19 for a family account is the option, or pre-set option
20 (for purposes of paragraph (2)), that provides the
21 most protective level of control with respect to the
22 use of the artificial intelligence chatbot by a child or
23 teen user.

24 (2) PRE-SET OPTIONS FOR PARENTS.—Each
25 covered entity shall provide a parent of a child or

1 teen user with the option to select between several
2 pre-set tiered options for governing the settings de-
3 scribed in subsection (a)(2) that balance the trade-
4 offs between the protectiveness to the child or teen
5 user and the effectiveness of the artificial intel-
6 ligence chatbot.

7 (c) DISCLOSURE AND TRANSPARENCY.—

8 (1) IN GENERAL.—Each covered entity shall en-
9 sure that the default setting of any parental control
10 or setting described in subsection (a) within a family
11 account is accompanied by a clear and conspicuous
12 disclosure that defines the scope of the setting in a
13 manner that is understandable by an ordinary con-
14 sumer.

15 (2) PROVISION OF INFORMATION.—Prior to the
16 creation of a family account, a covered entity shall
17 provide to the parent of a child or teen clear and
18 conspicuous information, which may include a link
19 to a webpage of the covered entity, regarding—

20 (A) the policies and practices of the cov-
21 ered entity with respect to each parental control
22 or setting described in subsection (a), including
23 an easy-to-understand explanation of the op-
24 tions described in such subsection, the pre-set

1 options described in subsection (b)(2), and the
2 effect of each option or pre-set option; and

3 (B) how to access and manage the family
4 account for the child or teen user, including an
5 easy-to-understand explanation of how to view,
6 change, and determine each parental control or
7 setting described in subsection (a).

8 (d) REPORT.—A covered entity shall provide an easily
9 accessible means for a child or teen user or the parent
10 of such child or teen user to—

11 (1) report violations of the parental controls or
12 settings specified in subsection (a); and

13 (2) contact the covered entity with respect to
14 any matter related to child or teen use of the artifi-
15 cial intelligence chatbot of the covered entity.

16 **SEC. 6. PROHIBITION ON TARGETED ADVERTISING.**

17 (a) IN GENERAL.—A covered entity shall not use the
18 personal data of a user that the covered entity knows is
19 a child or teen for purposes of targeted advertising.

20 (b) RULE OF CONSTRUCTION.—Nothing in sub-
21 section (a) shall be construed to prohibit a covered entity
22 that knows the age of the child or teen from delivering
23 advertising or marketing that—

24 (1) complies with the prohibition described in
25 subsection (a); and

1 (2) is age-appropriate and intended for a child
2 or teen audience, so long as the covered entity does
3 not use any personal information other than the age
4 of the child or teen to display such advertisement.

5 **SEC. 7. DETERMINATION OF WHETHER A COVERED ENTITY**
6 **KNOWS THAT AN INDIVIDUAL IS A CHILD OR**
7 **TEEN.**

8 (a) **RULE OF CONSTRUCTION.**—For purposes of de-
9 termining whether a covered entity knows that an indi-
10 vidual is a child or teen, the Commission or attorney gen-
11 eral of a State shall rely on competent and reliable evi-
12 dence, taking into account the totality of circumstances,
13 including whether a reasonable and prudent person under
14 the circumstances would have known that the individual
15 is a child or teen.

16 (b) **PROTECTIONS FOR PRIVACY.**—Nothing in this
17 Act, including a determination described in subsection (a),
18 shall be construed to require a covered entity to—

19 (1) implement an age gating or age verification
20 functionality; or

21 (2) affirmatively collect any personal data with
22 respect to the age of any individual that the covered
23 entity is not already collecting in the normal course
24 of business.

1 (c) RESTRICTION ON USE AND RETENTION OF PER-
2 SONAL DATA.—If a covered entity (or a third party acting
3 on behalf of a covered entity) voluntarily collects personal
4 data for the purpose of complying with this Act, the cov-
5 ered entity (or third party) shall not—

6 (1) use any personal data collected for a pur-
7 pose other than for sole compliance with the require-
8 ments of this Act; or

9 (2) retain any personal data collected for longer
10 than is necessary to comply with the requirements of
11 this Act or than is minimally necessary to dem-
12 onstrate such compliance.

13 **SEC. 8. ENFORCEMENT.**

14 (a) ENFORCEMENT BY THE COMMISSION.—

15 (1) UNFAIR OR DECEPTIVE ACTS OR PRAC-
16 TICES.—A violation of this Act shall be treated as
17 a violation of a rule defining an unfair or deceptive
18 act or practice prescribed under section 18(a)(1)(B)
19 of the Federal Trade Commission Act (15 U.S.C.
20 57a(a)(1)(B)).

21 (2) POWERS OF THE COMMISSION.—

22 (A) IN GENERAL.—The Commission shall
23 enforce this Act in the same manner, by the
24 same means, and with the same jurisdiction,
25 powers, and duties as though all applicable

1 terms and provisions of the Federal Trade
2 Commission Act (15 U.S.C. 41 et seq.) were in-
3 corporated into and made a part of this Act.

4 (B) PRIVILEGES AND IMMUNITIES.—Any
5 person who violates this Act shall be subject to
6 the penalties and entitled to the privileges and
7 immunities provided in the Federal Trade Com-
8 mission Act (15 U.S.C. 41 et seq.).

9 (C) AUTHORITY PRESERVED.—Nothing in
10 this Act shall be construed to limit the author-
11 ity of the Commission under any other provi-
12 sion of law.

13 (b) ENFORCEMENT BY STATES.—

14 (1) AUTHORIZATION.—Subject to paragraph
15 (3), in any case in which the attorney general of a
16 State has reason to believe that an interest of the
17 residents of the State has been or is threatened or
18 adversely affected by the engagement of a covered
19 entity in a practice that violates section 3 or 4, the
20 attorney general of the State may, as *parens patriae*,
21 bring a civil action against the covered entity on be-
22 half of the residents of the State in an appropriate
23 district court of the United States to—

24 (A) enjoin such practice;

25 (B) enforce compliance with this Act;

1 (C) on behalf of residents of the State, ob-
2 tain damages, restitution, or other compensa-
3 tion, each of which shall be distributed in ac-
4 cordance with State law; or

5 (D) obtain such other relief as the court
6 may consider to be appropriate.

7 (2) RIGHTS OF THE COMMISSION.—

8 (A) NOTICE TO THE COMMISSION.—

9 (i) IN GENERAL.—Except as provided
10 in clause (ii), before initiating a civil action
11 under paragraph (1), the attorney general
12 of a State shall provide to the Commission
13 a written notice of such action and a copy
14 of the complaint for such action.

15 (ii) EXCEPTION.—If the attorney gen-
16 eral determines that it is not feasible to
17 provide the notice described in clause (i)
18 before initiating a civil action under para-
19 graph (1), the attorney general shall pro-
20 vide written notice of the action and a copy
21 of the complaint to the Commission imme-
22 diately upon initiating the civil action.

23 (B) INTERVENTION BY THE COMMISS-
24 SION.—Upon receiving the notice required

1 under subparagraph (A), the Commission
2 may—

3 (i) intervene in the civil action that is
4 the subject of the notice; and

5 (ii) upon intervening—

6 (I) be heard with respect to any
7 matter that arises in such action; and

8 (II) file a petition for appeal for
9 any decision in such action.

10 (3) INVESTIGATORY POWERS.—Nothing in this
11 subsection may be construed to prevent the attorney
12 general of a State from exercising the powers con-
13 ferred on the attorney general by the laws of the
14 State to—

15 (A) conduct investigations;

16 (B) administer oaths or affirmations; or

17 (C) compel the attendance of witnesses or
18 the production of documentary or other evi-
19 dence.

20 (4) PREEMPTIVE ACTION BY THE COMMIS-
21 SION.—In any case in which an action is instituted
22 by or on behalf of the Commission for a violation of
23 this Act, no State may, during the pendency of that
24 action, institute a separate civil action under para-
25 graph (1) against any defendant named in the com-

1 plaint in the action instituted by or on behalf of the
2 Commission for that violation.

3 (5) VENUE; SERVICE OF PROCESS.—

4 (A) VENUE.—Any action brought under
5 paragraph (1) may be brought in—

6 (i) the district court of the United
7 States that meets applicable requirements
8 relating to venue under section 1391 of
9 title 28, United States Code; or

10 (ii) another court of competent juris-
11 diction.

12 (B) SERVICE OF PROCESS.—In an action
13 brought under paragraph (1), process may be
14 served in any district in which the defendant—

15 (i) is an inhabitant; or

16 (ii) may be found.

17 **SEC. 9. RELATIONSHIP TO OTHER LAWS.**

18 (a) IN GENERAL.—Subject to subsection (b), the pro-
19 visions of this Act shall preempt any related State law,
20 rule, or regulation only to the extent that such State law,
21 rule, or regulation conflicts with a provision of this Act.

22 (b) RULES OF CONSTRUCTION.—Nothing in this Act
23 shall be construed to—

1 (1) prohibit a State from enacting a law, rule,
2 or regulation that provides greater protection to chil-
3 dren than the protections provided in this Act; or

4 (2) affect the application of—

5 (A) section 444 of the General Education
6 Provisions Act (20 U.S.C. 1232g, commonly
7 known as the “Family Educational Rights and
8 Privacy Act of 1974”) or other Federal or State
9 laws governing student privacy; or

10 (B) the Children’s Online Privacy Protec-
11 tion Act of 1998 (15 U.S.C. 6501 et seq.) or
12 any rule or regulation promulgated under such
13 Act.

14 **SEC. 10. STUDY ON THE IMPACT OF ARTIFICIAL INTEL-**
15 **LIGENCE CHATBOTS ON CHILD AND TEEN**
16 **HUMAN RELATIONSHIPS AND SOCIAL NEEDS.**

17 (a) IN GENERAL.—Not later than 2 years after the
18 date of enactment of this Act, the Director of the National
19 Science Foundation shall conduct or commission a study
20 on the effects of artificial intelligence chatbots on human
21 relationships and the social needs of children and teens.

22 (b) SCOPE.—The study required under subsection (a)
23 shall examine, with respect to children and teens—

24 (1) the use of artificial intelligence chatbots by
25 children and teens to meet companionship or social

1 needs and the resulting effects on the real-world so-
2 cial engagement and mental health of children and
3 teens;

4 (2) the prevalence and effects of sycophantic or
5 excessively affirming behavior by artificial intel-
6 ligence chatbots on children and teens; and

7 (3) the role of design features of artificial intel-
8 ligence chatbots in shaping the results of paragraphs
9 (1) and (2).

10 (c) **METHODOLOGY.**—The study required under sub-
11 section (a) shall draw on existing research, expert con-
12 sultation, and, where feasible, observational, experimental,
13 and survey-based data collection, consistent with applica-
14 ble ethical standards and requirements for research involv-
15 ing children and teens.

16 (d) **REPORT.**—Not later than 1 year after the date
17 of enactment of this Act, the Director of the National
18 Science Foundation shall submit to the Committee on
19 Commerce, Science and Transportation of the Senate and
20 the Committee on Energy and Commerce and the Com-
21 mittee on Science, Space, and Technology of the House
22 of Representatives a report containing the findings of the
23 study conducted under subsection (a).

1 **SEC. 11. GAO REPORT ON RECOMMENDATIONS AND BEST**
2 **PRACTICES.**

3 (a) IN GENERAL.—Not later than 2 years after the
4 date described in section 12, the Comptroller General of
5 the United States (in this section referred to as the
6 “Comptroller General”) shall submit a report to the Com-
7 mittee on Commerce, Science, and Transportation of the
8 Senate and the Committee on Energy and Commerce and
9 the Committee on Science, Space, and Technology of the
10 House of Representatives that examines—

11 (1) the effectiveness of this Act, including the
12 overall effectiveness of the family account require-
13 ments described in sections 3, 4, and 5;

14 (2) the adoption rate of family accounts by par-
15 ents of children and teens;

16 (3) the rate of compliance with the require-
17 ments of this Act by covered entities;

18 (4) the effectiveness of each parental control or
19 setting required within a family account, including
20 recommendations or best practices to provide the
21 most protective or ideal level of control for children
22 and teens, including analysis of the parental control
23 described in section 5(a)(2), including—

24 (A) using best available research or indus-
25 try data; and

1 (B) an analysis of model drift with specific
2 consideration of the number of inputs or the
3 duration of time that causes an artificial intel-
4 ligence chatbot to generate outputs not con-
5 sistent with its behavior parameters;

6 (5) recommendations for parents and covered
7 entities to provide the most protective level of con-
8 trol for children and teens with respect to the use
9 of the parental control described in section 5(a)(2),
10 including recommended settings for limiting the
11 number of inputs or the retention of personal data
12 within the memory of the artificial intelligence
13 chatbot, with reference to the data described in
14 paragraph (4);

15 (6) recommendations for parents, based on
16 available data, with respect to best practices for
17 maximizing the protection of a child or teen within
18 a family account while ensuring the effectiveness of
19 an artificial intelligence chatbot;

20 (7) recommendations to the Commission for im-
21 proving enforcement of this Act; and

22 (8) recommendations to Congress for potential
23 legislative improvement to this Act.

1 (b) CONSULTATION REQUIREMENT.—In carrying out
2 the report required under subsection (a), the Comptroller
3 General shall consult with each of the following:

4 (1) The National Institute of Standards and
5 Technology.

6 (2) The Commission.

7 (3) Representatives of covered entities.

8 (4) Parents of children or teen users of artifi-
9 cial intelligence chatbots.

10 (5) Individuals with experience advocating for
11 online child safety, consumer protection, or online
12 privacy.

13 (6) Individuals with experience in artificial in-
14 telligence, computer science, and software engineer-
15 ing.

16 (7) Academic experts with expertise in preven-
17 tion of online harms to children or teens.

18 (8) Other relevant Federal agencies with exper-
19 tise in child or teen online safety.

20 **SEC. 12. EFFECTIVE DATE.**

21 This Act shall take effect on the date that is 1 year
22 after the date of enactment of this Act.