

FTC Approves Compulsory Process for AI-related Products and Services

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On November 21, the FTC voted 3-0 to approve the [omnibus resolution](#) authorizing the use of compulsory process in nonpublic investigations involving products and services that use or claim to be produced using artificial intelligence (AI) or claim to detect its use. The resolution will make it easier for FTC staff to issue civil investigative demands (CIDs), which are a form of compulsory process similar to a subpoena, in investigations relating to AI, while retaining the Commission's authority to determine when CIDs are issued. This resolution will be in effect for 10 years.

Putting It Into Practice: The FTC's resolution fits into a broader push by the [Biden Administration](#) to establish new standards for AI safety and security. The FTC is likely to continue scrutinizing AI practices and make companies responsible for any harm they cause to consumers or competition, including as a result of products or services that claim to involve AI. The resolution aims to enhance the FTC's ability to monitor and enforce compliance with existing laws and regulations that apply to AI, such as the FCRA, the COPPA and the FTC Act's prohibition against UDAPs. Note the FTC approved an earlier [omnibus compulsory process resolution](#) in September 2021 related to investigations involving unfair or deceptive acts or practices relating to algorithms, including bias in algorithms in violation of Section 5 of the FTC Act. Companies utilizing AI should verify that they have proper AI policies and procedures to evaluate their practices.

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