

Utah Law Makes AI Subject to Consumer Protection Laws

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The new Utah Artificial Intelligence Policy Act (AIPA) was signed into law by Governor Spencer Cox and will take effect May 1.

The AIPA is among a small group of U.S. state-level bills introduced so far in 2024 which address both public- and private-sector AI products and services. The AIPA is aimed at protecting consumers by bringing generative AI under the scrutiny of Utah's consumer protection, healthcare, and financial services laws.

Key aspects of the AIPA include:

- Establishment of liability for use of artificial intelligence (AI) that violates consumer protection laws if not properly disclosed;
- Required disclosure when a consumer interacts with AI in a regulated occupation;
- Creation of the Office of Artificial Intelligence Policy and a regulatory AI analysis program;
- Facilitating temporary mitigation of regulatory impacts during AI product testing; and
- Establishment of the Artificial Intelligence Learning Laboratory Program to assess technologies, risks, and policy.

Pursuant to the AIPA, the director of the Utah Division of Consumer Protection may impose an administrative fine of up to \$2,500 for each violation, and any person who violates an administrative or court order issued for a violation of the AIPA may be subject to a civil penalty of up to \$5,000 for each violation.

A copy of the AIPA can be found [here](#).

Anthony A. Laurentano also contributed to this article.

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