

Date of Hearing: April 21, 2026

ASSEMBLY COMMITTEE ON JUDICIARY
Ash Kalra, Chair
AB 1609 (Zbur) – As Amended April 14, 2026

SUBJECT: CUSTOMER SERVICE CHATBOTS

KEY ISSUE: SHOULD LARGE PRIVATE BUSINESSES BE REQUIRED, UPON REQUEST, TO CONNECT CUSTOMERS WITH HUMAN CUSTOMER SERVICE AGENTS?

SYNOPSIS

Customer service chatbots, although cheaper for businesses, often frustrate customers. The chatbots fail to understand complex problems, provide scripted, unhelpful responses, and can even get caught in loops, all while the customer waits longer and longer to get their issue resolved. As the author writes, for Californians seeking help with housing, utilities, health care, travel or essential purchases, the inability to reach a human representative can have serious consequences. This bill attempts to reduce these consequences by requiring businesses to provide customers with access to human customer service agents. This bill would require businesses that have over \$500 million in annual revenue to offer customers an option to connect with a human customer service agent within 15 minutes, if requested. The bill would be enforceable by a public prosecutor but allows for an exemption if a business violates the requirements, as long as it was due to unforeseen circumstances outside of the business' control.

This bill is sponsored by the Communications Workers of America, District Council 9 and supported by several labor unions. The bill is opposed by business advocacy organizations, including the California Chamber of Commerce. This bill was passed by the Assembly Committee on Privacy and Consumer Protection by a 9-4 vote.

SUMMARY: Requires large private businesses to make a good faith effort to connect customers with a human customer service agent within 15 minutes, upon request. Specifically, **this bill:**

- 1) Prohibits a large private business from representing a customer service chatbot as human.
- 2) Requires a clear and conspicuous disclosure if the customer service chatbot is artificially generated and not human if a reasonable person interacting with the customer service chatbot would be misled to believe that the person is interacting with a human.
- 3) Requires a large private business, during a 10-hour period of the business's regular business hours, to provide customers with a clear and conspicuous feature that allows customers to contact a customer service agent. The large private business is required to make a good faith effort to connect the customer, who is interacting with a chatbot or automated support system, to a customer service agent within 15 minutes.
- 4) Requires a large private business, if a customer requests a customer service agent per 3), to do the following:

- a) Provide a simple method for customers to request human assistance through online platforms;
 - b) Provide the customer with an estimate of the time it will take to connect with a customer service agent;
 - c) Allow the customer to choose to connect with the customer service agent as soon as feasible or to make an appointment;
 - d) Allow the customer to choose whether to communicate with the customer service agent by text, email or telephone.
- 5) Requires a large private business, when utilizing telephonic customer service platforms, to make a good faith effort to do the following:
- a) If a customer is placed on hold, it is not for more than 15 minutes after the call is answered and cumulatively no more than one hour per call;
 - b) If a call is answered by a customer service chatbot, the customer is given the option to request a customer service agent and, upon that request, is provided with human assistance within fifteen minutes.
- 6) Requires a large private business, when utilizing online customer service platforms, to offer customers the option to connect with a customer service agent and, upon that request, provide human assistance within 15 minutes.
- 7) Requires a large private business who provides goods and services to customers in California to post its customer service phone number clearly and conspicuously on its internet website.
- 8) Authorizes a public prosecutor to bring an action to enforce this bill. Clarifies the bill does not establish a private right of action.
- 9) Authorizes the Attorney General to adopt regulations to enforce the bill.
- 10) Clarifies that a large private business will not be in violation of this bill if unforeseen circumstances beyond the business's reasonable control cause the violation.
- 11) Defines the following terms:
- a) "Artificial intelligence" means an engineered or machine-based system that varies in its level of autonomy and that can, for explicit or implicit objectives, infer from the input it receives how to generate outputs that can influence physical or virtual environments.
 - b) "Customer" means a natural person residing in California.
 - c) "Customer service agent" means a natural person who, as an employee, contractor, or representative of the large private business provides either of the following:
 - i) Direct customer service, including service to prospective and existing customers, relating to the sale and delivery of goods and services.

- ii) Direct customer support, including technical assistance functions relating to the sale and delivery of goods and services.
- d) “Customer service chatbot” means an artificial intelligence system with a natural language interface that provides adaptive, human-like responses to user inputs and is used by an entity for any of the following purposes:
 - i) Direct customer service, including service to prospective and existing customers, relating to the sale or delivery of goods or services.
 - ii) Direct customer support, including technical assistance functions relating to the sale or delivery of goods or services.
- e) “Large private business” means a business with more than five hundred million dollars (\$500,000,000) in gross annual revenue nationally that provides goods and services to consumers.
- f) “Services” means services for which a customer will provide or has provided monetary consideration, whether through a one-time payment, subscription, fee, or recurring charge. “Services” does not include services or parts of services that offer a free option to persons with an opportunity to pay, subscribe, or otherwise provide monetary consideration for the service or upgraded services at a future time.

EXISTING LAW:

- 1) Requires an operator of a companion chatbot platform to issue a clear and conspicuous notification indicating that the companion chatbot is artificially generated and not human if a reasonable person interacting with a companion chatbot would be misled to believe that the person is interacting with a human. (Business and Professions Code Section 22602 (a).)
- 2) Requires a food delivery platform to include a clear and conspicuous customer service feature that allows a customer to contact a natural person. (Business and Professions Code Section 22599.1 (f).)
- 3) Requires a food delivery platform, if using an automated system, to ensure that a customer, who has a concern, is able to promptly connect with the natural person in order to address the concern. (Business and Professions Code Section 22599.1 (f).)

FISCAL EFFECT: As currently in print this bill is keyed fiscal.

COMMENTS: Customer service chatbots, although cheaper for businesses, often frustrate customers. The chatbots fail to understand complex problems, provide scripted, unhelpful responses, and can even get caught in loops, all while the customer waits longer and longer to get their issue resolved. As the author writes, for Californians seeking help with housing, utilities, health care, travel or essential purchases, the inability to reach a human representative can have serious consequences. This bill attempts to reduce these consequences by requiring businesses to provide customers with access to human customer service agents. According to the author:

Across industries, consumers increasingly report being unable to resolve basic issues because customer service systems rely heavily on automated chatbots and long telephone hold times.

These systems often fail to understand complex or sensitive problems, repeat scripted responses, or disconnect calls without resolution — wasting hours of consumers' time and leaving critical issues unresolved. For Californians seeking help with housing services and appointments, utility services, health care, travel or essential purchases, the inability to reach a human representative can have serious consequences.

Technology should make life easier — not lock people out of the help they need. When Californians reach out for customer support, they deserve timely, transparent access to a real human who can understand their situation and help solve the problem. AB 1609, the Right to Human Customer Service Act, applies to large businesses with over \$500,000,000 in annual revenue and ensures Californians can reach a real person for customer service instead of being trapped in endless phone holds or frustrating AI chatbot loops.

Background. In a recent survey, nearly one in five consumers who used AI for customer service saw no benefit from the experience. (Qualtrics, *2026 global consumer experience trends revealed* (Oct. 7, 2025) available at: <https://www.qualtrics.com/articles/customer-experience/global-consumer-experience-trends/>.) On top of that, customers are worried that AI-enabled support poses privacy risks. (*Ibid.*) Consumers get frustrated dealing with chatbots and other automated systems, when all they want to do is get in contact with a human being. Often, the automated system will send customers into a vicious cycle where their issues are not resolved but just delayed. This experience is now known as a term, the “annoyance economy.” (Lora Kelley, *The ‘Annoyance Economy’ Is More Than Just Annoying*, N.Y. Times (Apr. 12, 2026) available at: <https://www.nytimes.com/2026/04/12/business/annoyance-economy-costs.html>.) According to a new report, this lost time has a meaningful impact, amounting to \$165 billion a year in lost time and wasted money for Americans. (*Ibid.*)

This bill proposes to solve some of those consumer frustrations by requiring large private businesses, those that have over \$500 million in gross annual revenue, to make connecting to a human customer service agent easier. The bill does this by requiring these businesses to connect customers with a human customer service agent within 15 minutes, when requested. For online chatbots, these companies are required to include a button or other feature that customers can easily select and be directed to a human being. For automated phone services, a customer must be provided with an option to connect to a human being. The bill also requires these businesses to provide an option to schedule an appointment to speak to a human customer service agent.

Enforcement. The bill includes an enforcement provision that allows a public prosecutor to bring a civil action against a business that violates the bill’s requirements. Some of the language in the bill is vague and may be difficult to enforce. For example, the bill requires businesses to make a “good faith effort.” Without a clearer definition, this leaves open a wide range of what could be considered a “good faith effort.” Additionally, the bill requires a business to disclose if a customer is using a chatbot, only if a reasonable person interacting with the customer service chatbot would be misled to believe the chatbot is a human being. Although a “reasonable person” standard is common in law, artificial intelligence is becoming increasingly conversational that many customers may be fooled. *The author might consider defining some of the more ambiguous terms in the bill, such as “good faith”, “simple method”, and “unforeseen circumstances” to allow for better compliance with the bill.*

Nevertheless, this bill provides a modest enforcement mechanism and entrusts public prosecutors, rather than individuals, with the right to bring claims. In so doing, this bill seems

appropriately structured to ensure that businesses that use chatbots are not overwhelmed with superfluous litigation, even given the bill's potentially confusing standards. Moreover, considering the prevalence of both chatbots and artificial intelligence throughout consumer markets, and the ease with which a non-human interface may frustrate consumers' ability to hold businesses accountable for a failure to provide services, ensuring some form of recourse for consumers seems reasonable.

ARGUMENTS IN SUPPORT: This bill is sponsored by Communications Workers of America, District 9 (CWA D9) and supported by Techequity Action, Santa Monica Democratic Club, and several labor unions. In support CWA D9 writes:

The use of AI driven customer service tools has increased in recent years. However, there are stipulations with these tools understanding complex situations. Consumers are often left on repetitive loops, with scripted responses, ultimately leading to customer frustration and unsolved issues. Additionally, these AI customer service tools require individuals to wait on hold for extended periods of time, sometimes being disconnected from the call without help. These issues are leading to wasted time, unresolved issues, and consumer frustration across California.

These challenges are not just minor inconveniences, they can have serious consequences. If individuals cannot connect effectively with the services and support they need, their health, employment, and ability to meet basic needs can be put at risk.

Not only are consumers being impacted by the increased use of AI customer service tools, but workers are too. These customer service professionals provide essential labor that cannot be fully understood by an automated tool. The expanding use of this technology, without proper protections, risks displacing workers.

AB 1609 establishes clear and reasonable standards to address these customer services issues by requiring large business providing goods and services in California to ensure access to human customer service during business hours. This helps ensure that automated tools are not a barrier to consumers receiving assistance.

The Santa Monica Democratic Club writes in support:

In recent years, there has been a proliferation of automated or AI customer service response systems. Customers will often become trapped in an endless loop with these automated systems, and it is becoming increasingly difficult to distinguish real human voices or interactions from artificial ones. According to the bill's supporters, requiring human responses will make customer services more efficient, it will protect users' privacy, and it will protect jobs for a wide range of customer service specialists.

This bill requires large private businesses that provide goods and services in California to ensure timely access to human customer service during business hours, including providing a live representative within five minutes of a request for both online chat and telephonic support, and limiting post-answer hold times. AB 1609 also strengthens transparency by prohibiting companies from misrepresenting AI systems as human, requiring clear disclosures when consumers are interacting with automated systems, and ensuring businesses prominently display a phone number so customers can reach live telephonic assistance when needed.

ARGUMENTS IN OPPOSITION: This bill is opposed by the California Chamber of Commerce and other business advocacy organizations. The California Manufacturers & Technology Association (CMTA) write in opposition:

AB 1609 applies uniform customer service requirements to all covered entities, regardless of the nature of the business or the complexity of the service being provided. Manufacturers frequently handle highly technical inquiries involving product diagnostics, warranty claims, and coordination with engineers or field technicians. These interactions differ fundamentally from standard retail or transactional customer service. Imposing inflexible response and escalation requirements fails to account for these operational differences and risks degrading the quality and accuracy of support provided to customers.

Additionally, the bill's requirement to provide human assistance within five minutes and maintain strict limits on hold times effectively mandates continuous staffing levels regardless of demand variability. For manufacturers, customer service demand is often episodic and driven by product cycles, supply chain disruptions, or service events. To comply, companies would be forced to significantly increase staffing or outsource services at substantial cost, even when the demand was unnecessary to meet the need. These mandates would impose new and ongoing financial burdens, diverting resources from innovation, workforce investment, and core manufacturing operations.

Internet Works writes in opposition:

IW supports clear, workable standards that promote consumer trust. However, we respectfully oppose AB 1609 as it seeks to impose rigid, one-size-fits-all customer service mandates that are operationally infeasible, cost prohibitive, and runs the risk of degrading the consumer experience. AB 1609 would require universal access to human support, strict escalation timelines, telephonic access, and prescriptive hold-time limits—regardless of service type, user tier, whether or not the service is free or paid, or the inherent level of risk. This ignores how modern digital services operate, where support levels vary depending on the nature of the service - whether it be a B2B offering, subscription, marketplace, enterprise, or subscription offering. Forcing identical service levels across all users undermines core business models and will lead to higher prices or reduced services.

Many IW members deploy AI-enabled tools to provide fast, scalable, and often superior customer support. Under AB 1609, offering an AI chatbot to any subset of users could trigger costly human support obligations for all users regardless of whether or not the service is free or paid. This disincentivizes investment in AI tools and will push companies toward lower-quality, static support options like help centers and forums—reducing overall service availability.

REGISTERED SUPPORT / OPPOSITION:

Support

Communications Workers of America, District 9 (sponsor)
California Conference Board of the Amalgamated Transit Union
California Conference of Machinists
California Federation of Labor Unions, AFL-CIO
CFT – a Union of Educators & Classified Professionals, AFT, AFL-CIO
Engineers and Scientists of California, IFPTE Local 20, AFL-CIO

Santa Monica Democratic Club
Teamsters California
Techequity Action
Unite Here International Union, AFL-CIO
Utility Workers Union of America

Opposition

American Property Casualty Insurance Association
Calbroadband
California Association of Collectors, INC
California Association of Realtors
California Chamber of Commerce
California Manufacturers and Technology Association
California Travel Association
Civil Justice Association of California (CJAC)
Computer and Communications Industry Association
Electronic Transactions Association
Insights Association
Internet.works
National Association of Mutual Insurance Companies
Personal Insurance Federation of California
Technet
Travel Technology Association

Oppose Unless Amended

California Bankers Association
California Credit Union League

Concerns

Reason Foundation

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