

SENATE PRIVACY, DIGITAL TECHNOLOGIES, AND CONSUMER PROTECTION COMMITTEE
Senator Christopher Cabaldon, Chair
2025-2026 Regular Session

AB 1609 (Zbur)
Version: June 10, 2026
Hearing Date: June 22, 2026
Fiscal: Yes
Urgency: No
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SUBJECT

Customer service chatbots

DIGEST

This bill requires large private businesses, as defined, to provide customers with timely access to human customer service and support, as provided, and to disclose the use of customer service chatbots, as specified.

EXECUTIVE SUMMARY

Generative AI chatbots have become increasingly prevalent. They seek to offer consumers the benefits of convenience and personalized interaction. These chatbots are powered by large language models and are sophisticated enough for some to believe they are interacting with another human. These chatbots have been increasingly deployed in the customer service and support realm. This provides businesses with a cheaper alternative to human customer service agents, however, many consumers have expressed frustration with seemingly endless or circular interactions with these customer service chatbots. Even when options to bypass such chatbots are provided, consumers are often left on hold for painfully long durations.

This bill seeks to address consumer frustrations with the provision of customer service and support. The bill targets large private businesses, those with other \$500 million in gross annual revenue that provide goods and services to consumers. The bill first requires clear disclosures about the use of customer service chatbots. The bill then requires these businesses to provide easy access to human customer service within 15 minutes of a request, or within one hour by appointment, as provided. The bill is sponsored by the Communication Workers of America, District Council 9. It is supported by TechEquity and a number of labor groups, including the California Federation of Labor Unions. It is opposed by a number of industry associations, including the California Bankers Association and Technet. Should the bill pass out of this Committee, it will next be heard by the Senate Judiciary Committee.

PROPOSED CHANGES TO THE LAW

Existing law:

- 1) Defines “AI” as 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. (Gov. Code § 11546.45.5.)
- 2) Makes it unlawful for any person to use a bot to communicate or interact with another person in California online, with the intent to mislead the other person about its artificial identity for the purpose of knowingly deceiving the person about the content of the communication in order to incentivize a purchase or sale of goods or services in a commercial transaction or to influence a vote in an election. A person using a bot is not liable if the person discloses that it is a bot. This disclosure must be clear, conspicuous, and reasonably designed to inform persons with whom the bot communicates or interacts that it is a bot. (Bus. & Prof. Code § 17941.)
- 3) Defines “bot” as an automated online account where all or substantially all of the actions or posts of that account are not the result of a person. (Bus. & Prof. Code § 17940.)
- 4) Defines “companion chatbot” as an AI system with a natural language interface that provides adaptive, human-like responses to user inputs and is capable of meeting a user’s social needs, including by exhibiting anthropomorphic features and being able to sustain a relationship across multiple interactions. However, there are several exemptions included. (Bus. & Prof. Code § 22601.)
- 5) Requires an operator making a companion chatbot available, if a reasonable person interacting with a companion chatbot would be misled to believe that the person is interacting with a human, to issue a clear and conspicuous notification indicating that the companion chatbot is artificially generated and not human. (Bus. & Prof. Code § 22602(a).)

This bill:

- 1) Prohibits a large private business from representing that a customer service chatbot is a human. If a reasonable person interacting with the customer service chatbot would be misled to believe that the person is interacting with a human, the business must provide a clear and conspicuous disclosure in the medium in which the customer service chatbot interacts with the customer that the customer service chatbot is artificially generated and not human.

- 2) Requires such businesses, during at least the normal 10-hour period per day, to provide consumers who require customer assistance with a clear and conspicuous customer service feature that allows customers to contact a customer service agent. During these times, a large private business shall make a good faith effort to connect a person interacting with a customer service chatbot, or a telephonic automated customer support system, to a customer service agent within 15 minutes after a request for human customer service is made.
- 3) Requires these businesses, for online chatbot customer service platforms, to make a good faith effort to ensure that customers who require customer service are provided with all of the following:
 - a) A simple method for customers to request human assistance through online platforms.
 - b) An estimate of the time it will take to connect with a customer service agent.
 - c) Allow the customer to connect with the customer service agent within 15 minutes, or, at the option of the business, give a customer the option to make an appointment to connect with a customer service agent within:
 - i. One hour of the customer request.
 - ii. One hour of the start of the next business day, if a full hour does not remain in the current business day, or at a later time.
 - iii. On an alternative day preferred by the consumer, at the consumer's election.
- 4) Requires these businesses, for telephonic customer service platforms, to make a good faith effort to ensure that customers who require customer service are provided with all of the following:
 - a) The initial call is answered promptly and the customer is not placed on hold for more than 15 minutes at any point after the call is answered, and the cumulative hold times or escalation queues for a call not exceed more than one hour total.
 - 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 human assistance within 15 minutes after the request is made.
 - c) The business may, but is not required to, give a customer the option to connect with the customer service agent at a later time and make an appointment to receive a call with the customer service agent within:
 - i. One hour of the customer request, or within one hour of the start of the next business day, if a full hour does not remain in the current business day.
 - ii. On an alternative day preferred by the consumer, at the consumer's election.

- 5) Requires large private businesses that provide goods and services to customers in California through online platforms and that have a telephonic customer service platform to post their telephonic customer service telephone number clearly and conspicuously on their website.
- 6) Authorizes a public prosecutor to bring an action against a business in violation, seeking a civil penalty not exceeding \$5,000 for each violation, and \$10,000 for each subsequent violation.
- 7) Provides that the use of commercially reasonable and practicable standards that are designed and intended to achieve compliance shall satisfy the “good faith effort” requirements herein, and the inability to comply because of unforeseen circumstances beyond its reasonable control does not constitute a violation.
- 8) Does not require an operator who, as of January 1, 2026, does not utilize any telephonic customer services to customers, to provide telephonic customer service, provided that the operator offers customer service methods by which the customer may promptly connect with a customer service agent consistent herewith.
- 9) Exempts the following:
 - a) Services a large private business provides subject to, and in compliance with, General Order 133, and in compliance with a corrective action plan, if any, Rules Governing Telecommunications Services of the Public Utilities Commission of the State of California.
 - b) Exclusive business lines.
 - c) Nonprofit general acute care hospital, as specified.
- 10) Provides that the duties, remedies, and obligations imposed by this chapter are cumulative to the duties, remedies, or obligations imposed under other law and shall not be construed to relieve a large private business from any duties, remedies, or obligations imposed under any other law.
- 11) Defines the relevant terms, including:
 - a) “Customer service agent” means a natural person who, as an employee, contractor, or representative of a 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.

- b) “Customer service chatbot” means an AI 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.
- c) “Large private business” means a business with more than \$500,000,000 in gross annual revenue nationally that provides goods and services to consumers.
- d) “Regular business hours” means the hours during which the business customarily maintains administrative, managerial, or customer-service functions, excluding on days that the business is ordinarily closed or state or federal holidays.

COMMENTS

1. Increasing use of chatbots instead of humans for customer service needs

In 2018, SB 1001 (Hertzberg, Ch. 892, Stats. 2018) was introduced to address one of the fundamental concerns underlying the use of bots online, the deception of their human counterparts. SB 1001 prohibited a person from using a bot to communicate or interact with another person in California online with intent to mislead the other person about its artificial identity for the purpose of knowingly deceiving the person about the content of the communication in order to incentivize a purchase or sale of goods or services in a commercial transaction or to influence a vote in an election.

Since then, the ubiquity of bots has only increased with the introduction of advanced GenAI systems and tools. According to reports: “Bots now account for nearly half of all internet traffic globally, with so-called ‘bad bots’ responsible for a third.”¹ Estimates are that, by 2027, chatbots will become the primary customer service channel for roughly one fourth of organizations.²

While chatbots can be useful and provide great efficiencies, the concern is the deterioration in resolving consumer issues and the long delays in reaching a human agent. These concerns have spurred efforts at the federal level, albeit unsuccessfully thus far. Former President Joe Biden bemoaned the customer “doom loops” and

¹ Emma Woollacott, *Yes, The Bots Really Are Taking Over The Internet* (April 16, 2024) Forbes, <https://www.forbes.com/sites/emmawoollacott/2024/04/16/yes-the-bots-really-are-taking-over-the-internet/>. All internet citations are current as of June 13, 2026.

² *Gartner Predicts Chatbots Will Become a Primary Customer Service Channel Within Five Years* (July 27, 2022) Gartner, <https://www.gartner.com/en/newsroom/press-releases/2022-07-27-gartner-predicts-chatbots-will-become-a-primary-customer-service-channel-within-five-years>.

declared that: “Consumers should be able to talk to real people instead of being sent through a maze of menu options and automated recordings.”³ Recently, two U.S. Senators proposed legislation that would force “contact center agents to immediately disclose their location and/or whether they’re AI. The bill would then make the agent, human or AI, transfer the contact to a US-based call center if the customer requests it.”⁴

Concerns are focused not only on the quality but also on the impact on the labor market. OpenAI chief Sam Altman recently painted his vision of the future in this space:

“Some areas, again, I think just like totally, totally gone,” he said, singling out customer support roles. “That’s a category where I just say, you know what, when you call customer support, you’re on target and AI, and that’s fine.”

The OpenAI founder described the transformation of customer service as already complete, telling the Federal Reserve vice-chair for supervision, Michelle Bowman: “Now you call one of these things and AI answers. It’s like a super-smart, capable person. There’s no phone tree, there’s no transfers. It can do everything that any customer support agent at that company could do. It does not make mistakes. It’s very quick. You call once, the thing just happens, it’s done.”⁵

However, customers do not seem to be coming to that same conclusion. “Indeed, 70 percent of Americans now feel it’s ‘frustrating’ to interact with automated phone systems instead of live support reps, according to a Data for Progress study.”⁶ Another study further emphasizes consumers’ negative outlook on customer service chatbot deployment:

In a survey of 594 consumers my company conducted earlier this year, 81% reported that they would rather wait a minute or more for support from a live person than interact immediately with an AI assistant. Of this 81%, 12% said they would wait more than five minutes, and 16% said they would wait 11 or more minutes if it meant connecting to an actual person.

³ Rhys Fisher, *President Biden Announces New Customer Service Actions, Targets Subscriptions and ‘Doom Loops’* (August 14, 2024) CX Today, <https://www.cxtoday.com/contact-center/president-biden-announces-new-customer-service-actions-targets-subscriptions-and-doom-loops/>.

⁴ Charlie Mitchell, *US Senators Propose Bill to Mandate the Right to Human Customer Service* (August 4, 2025) CX Today, [https://www.cxtoday.com/contact-center/us-senators-propose-bill-to-mandate-the-right-to-human-customer-](https://www.cxtoday.com/contact-center/us-senators-propose-bill-to-mandate-the-right-to-human-customer-service/#:~:text=Two%20US%20senators%20have%20proposed,if%20the%20customer%20requests%20it.)

[service/#:~:text=Two%20US%20senators%20have%20proposed,if%20the%20customer%20requests%20it.](https://www.cxtoday.com/contact-center/us-senators-propose-bill-to-mandate-the-right-to-human-customer-service/#:~:text=Two%20US%20senators%20have%20proposed,if%20the%20customer%20requests%20it.)

⁵ Joseph Gedeon, *OpenAI CEO tells Federal Reserve confab that entire job categories will disappear due to AI* (July 22, 2025) The Guardian, <https://www.theguardian.com/technology/2025/jul/22/openai-sam-altman-congress-ai-jobs.>

⁶ See fn. 4.

Consumers also doubt that such assistants are being offered in order to benefit their fellow consumers. When asked to identify the top reason why companies are implementing AI assistants like chatbots, 57% said it was to save money/eliminate jobs.⁷

2. Addressing customer service woes

This bill seeks to tackle the seeming consensus among consumers that customer service is unresponsive and deployment of chatbots is not the answer. The bill places a series of obligations on only very large private businesses, those with annual gross revenues over \$500 million. It first prohibits them from representing customer service chatbots as human and requires disclosures when a reasonable person would be misled as to whether they are interacting with a human.

The bill then requires these businesses to provide timely and smooth access to human customer service agents. During normal business hours, these businesses are required to provide consumers with a clear and conspicuous feature allowing the consumer to connect with a human agent and to make a good faith effort to connect that person to a human within 15 minutes of a request.

For online chatbot customer service platforms, a good faith effort must be made to provide customers with a simple method for requesting human service, and estimate of the time it will take, and to provide human assistance within 15 minutes, or give the customer the option to make an appointment within one hour, as provided.

For telephonic platforms, the businesses must make a good faith effort to ensure the call is answered promptly and that any hold is no more than 15 minutes at any time during the call without exceeding an hour of total hold time during the entire interaction. If a chatbot answers the call, the customer must be given the option to connect with a human agent within 15 minutes of their request or to schedule a time with one. The relevant phone number must be clearly and conspicuously posted on the business's website.

Enforcement is through public prosecutors only, and businesses are insulated from liability if they use "commercially reasonable and practicable standards that are designed and intended to achieve compliance" or if their inability to comply is due to unforeseen circumstances beyond their reasonable control.

⁷ Ori Faran, *What If Customers Don't Want Your AI Chatbot?* (August 1, 2024) Forbes, <https://www.forbes.com/councils/forbesbusinesscouncil/2024/08/01/what-if-customers-dont-want-your-ai-chatbot/>.

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.

3. Stakeholder positions

The Communications Workers of America, District 9, the sponsor of this bill, 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.

TechEquity writes in support:

Customer service chatbots can be frustrating. They often fail to understand complex needs, get stuck in loops, provide scripted, boilerplate answers, and make it difficult to resolve customer service needs and complaints. This leads to wasted time, consumer frustration and unresolved issues, especially with nuanced and complicated problems. Customers experience similar frustration and difficulty in resolving consumer service complaints when companies require people to hold for long periods on telephonic customer service lines. This not only can involve hours of waiting on hold, but also terminated calls without resolution.

The inability to resolve consumer service needs and complaints is a serious issue for California consumers. For example, an inability to reach a pharmacist or a health care professional could impact a persons' health. Customers lose hours of time away from their jobs trying to resolve simple issues related to a home or other appointment, a travel reservation, or a status check on a medication.

AB 1609 requires large private businesses who provide goods and services to consumers in California to provide consumers with human customer service support and communications during normal business hours.

A coalition of industry organizations, including Technet and the California Association of Collectors, writes in opposition:

As noted above, rigid time limits can pressure agents to prioritize speed over accuracy, increasing employee stress, the likelihood of errors, and potential data-security risks while diminishing service quality. The bill's timing requirements may also constrain businesses' ability to triage customer contacts based on urgency, safety concerns, fraud risks, and other operational priorities.

Even with the June 10 amendments, AB 1609 continues to impose timing requirements that may not reflect the realities of customer-service operations across industries. Wait times are affected by factors such as call

volume, emergency events, fraud-prevention measures, staffing needs, and the complexity of individual inquiries. A one-size-fits-all timing framework risks reducing flexibility and undermining service quality without necessarily improving consumer outcomes.

While the extended timeframes and “good faith effort” standard represent meaningful improvements, questions remain regarding implementation and whether these changes adequately address operational and compliance concerns. Accordingly, the “commercially reasonable and practicable” safe-harbor language and related liability revisions discussed above remain critical.

More fundamentally, AB 1609 continues to apply a largely uniform customer-service framework across industries with very different operational realities and regulatory obligations. Some companies handle highly sensitive data subject to strict federal and state requirements, while others manage situations that require careful triage through technology and specially trained personnel. Although the bill has made progress in recognizing these differences, additional narrowing of its scope remains necessary.

In response to concerns, the author has agreed to amendments that allow for large private businesses to either provide access to a customer service agent within 15 minutes or alternatively to achieve compliance by providing a specific appointment time within the following business day for the customer to connect with a customer service agent. The amendments will make clear that either option, with the protections limiting total hold time and escalation queues, will suffice for compliance. Additional amendments will harmonize the language within the bill, streamline the provisions for clarity, and include additional exemptions from the scope of the bill.

SUPPORT

Communication 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
Engineers and Scientists of California, IFPTE Local 20, AFL-CIO
Santa Monica Democratic Club
Teamsters California
TechEquity Action
UFCW - Western States Council
Unite Here International Union, AFL-CIO
Utility Workers Union of America

OPPOSITION

American Council of Life Insurers
American Property Casualty Insurance Association
Association of California Life and Health Insurance Companies
Calbroadband
California Association of Collectors, INC
California Bankers Association
California Chamber of Commerce
California Credit Union League
California Manufacturers & Technology Association (CMTA)
California Travel Association
California's Credit Unions
Civil Justice Association of California (CJAC)
Computer and Communications Industry Association
Electronic Transactions Association
Family Business Association of California
Insights Association
Internet.works
National Association of Mutual Insurance Companies
Personal Insurance Federation of California
Silicon Valley Leadership Group
Technet
Travel Technology Association

RELATED LEGISLATION

SB 243 (Padilla, Ch. 677, Stats. 2025) imposes a number of obligations on operators of “companion chatbot platforms” in order to safeguard users. This includes requiring operators to maintain certain protocols aimed at preventing some of the worst outcomes and, only when the user is known to the operator to be a minor, to make certain disclosures and to institute reasonable measures to prevent such things as sexually explicit material from being produced or from “directly stating that the minor should engage in sexually explicit conduct.” A report is required to be sent annually to the Office of Suicide Prevention. Violations are subject to civil enforcement by those injured.

AB 410 (Wilson, 2025) requires that bots disclose their identity before interacting with another person, respond truthfully to any query about their identity, and otherwise refrain from misrepresenting themselves as human. AB 410 was held in the Senate Appropriations Committee.

AB 489 (Bonta, Ch. 615, Stats. 2025) clarifies that provisions of law that prohibit the use of specified terms, letters, or phrases to falsely indicate or imply possession of a license

or certificate to practice a health care profession, as defined, apply to an entity who develops or deploys AI or generative AI (GenAI) technology that uses such terms, letters, or phrases in its advertising or functionality, prohibits such usage, and subjects such developers and deployers to the same oversight and enforcement.

SB 1001 (Hertzberg, Ch. 892, Stats. 2018) *See* Comment 1.

PRIOR VOTES:

Assembly Floor (Ayes 56, Noes 16)

Assembly Appropriations Committee (Ayes 11, Noes 4)

Assembly Judiciary Committee (Ayes 9, Noes 3)

Assembly Privacy and Consumer Protection Committee (Ayes 9, Noes 4)
