

THIRD READING

Bill No: AB 1609
Author: Zbur (D)
Amended: 8/13/26 in Senate
Vote: 21

SENATE PRIV., DIGITAL TECH. & CONS. PROT. COMMITTEE: 7-0, 6/22/26
AYES: Cabaldon, Gonzalez, McNerney, Padilla, Reyes, Umberg, Wiener
NO VOTE RECORDED: Jones, Ochoa Bogh

SENATE JUDICIARY COMMITTEE: 11-1, 6/30/26
AYES: Umberg, Allen, Ashby, Caballero, Durazo, Laird, Reyes, Stern, Wahab,
Weber Pierson, Wiener
NOES: Niello
NO VOTE RECORDED: Valladares

SENATE APPROPRIATIONS COMMITTEE: 5-2, 8/13/26
AYES: Cervantes, Cabaldon, Grayson, Richardson, Wahab
NOES: Seyarto, Dahle

ASSEMBLY FLOOR: 56-16, 5/27/26 - See last page for vote

SUBJECT: Customer service chatbots

SOURCE: Communication Workers of America, District Council 9

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.

ANALYSIS:

Existing law:

- 1) Defines artificial intelligence or “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. (Government (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. (Business & Professions (Bus. & Prof.) Code § 17941.)
- 3) 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.)
- 4) 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 is likely to 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 regular business hours, to provide customers who require customer assistance with goods or services offered by or provided from the large private business with a simple customer service feature on all platforms through which the business provides customer service, including online chatbot customer service and telephonic customer service platforms, that

allows customers to request to connect to a customer service agent. A large private business satisfies this subdivision if its customer service platform enables a customer to request a customer service agent through commonly understood commands, prompts, menu selections, or verbal requests during the customer interaction.

- 3) Requires these businesses to make a good faith effort to provide a customer requesting a customer service agent with one of the following:
 - a) Connection to a customer service agent within 15 minutes of the request.
 - b) A specific appointment time within one business day of the request at which a customer service agent will call or connect with the customer.
- 4) Provides that a large private business shall make a good faith effort to ensure a customer is not placed on hold or made to wait for more than 15 minutes at any time after connection with a customer service agent, and that cumulative hold or wait times or escalation queues do not exceed more than one hour total.
- 5) Requires large private businesses who provide goods and services to customers in California through online platforms and who have a telephonic customer service platform to post their telephonic customer service telephone number clearly and conspicuously on their internet website.
- 6) Authorizes a public prosecutor to bring an action against a business in violation, seeking a civil penalty not exceeding \$5,000 for an initial 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 or other extraordinary situations, as provided, does not constitute a violation.
- 8) Does not require an operator who, as of January 1, 2027, does not utilize any telephonic customer services to customers, to provide telephonic customer service, provided that the business offers customer service methods by which the customer may promptly connect with a customer service agent consistent herewith.
- 9) Provides specified exemptions.

- 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.

Background

Generative AI (GenAI) 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. This bill targets large private businesses, those with other \$500 million in gross annual revenue that provide goods and services to consumers. This bill first requires clear disclosures about the use of customer service chatbots. This bill then requires these businesses to provide easy access to human customer service within 15 minutes of a request, or a specific appointment time within one business day of the request at which a customer service agent will call or connect with the customer. This 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.

Comment

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.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

According to the Senate Appropriations Committee:

Potential costs to the Department of Justice (DOJ) of an unknown amount. Actual costs will depend on whether the Attorney General pursues enforcement actions, and, if so, the level of additional staffing DOJ needs to handle the related workload. If DOJ hires staff to handle enforcement actions authorized by this bill, the department would incur significant costs, likely in the low hundreds of thousands of dollars annually at a minimum. If DOJ does not pursue enforcement as authorized by this bill, the department would likely not incur any costs. (General Fund).

Cost pressure of an unknown but potentially significant amount to the courts to adjudicate any additional filings. Actual costs will depend on the number of cases filed and the amount of court time needed to resolve each case. An eight-hour court day costs approximately \$10,500 based on the hourly rate of court personnel including at minimum the judge, clerk, bailiff, court reporter, jury administrator, administrative staff, and jury per-diems. While the courts are not funded on a workload basis, an increase in workload could result in delayed court services and increase pressure to fund additional staff and resources. The FY 2026-27 Budget appropriated \$70 million General Fund for this purpose (Trial Court Trust Fund, General Fund).

SUPPORT: (Verified 8/14/26)

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: (Verified 8/14/26)

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
California Travel Association
California's Credit Unions
Civil Justice Association of California
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

ARGUMENTS IN SUPPORT: 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.”

ARGUMENTS IN OPPOSITION: A coalition of industry organizations, including the California Association of Collectors, writes:

“[R]igid 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.”

ASSEMBLY FLOOR: 56-16, 5/27/26

AYES: Addis, Aguiar-Curry, Ahrens, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Connolly, Elhawary, Fong, Gabriel, Garcia, Gipson, Mark González, Haney, Harabedian, Hart, Irwin, Jackson, Kalra, Krell, Lee, Lowenthal, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Pellerin, Quirk-Silva, Ramos, Ransom, Michelle Rodriguez, Rogers, Blanca Rubio, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Valencia, Ward, Wicks, Zbur, Rivas

NOES: Alanis, Davies, DeMaio, Dixon, Ellis, Flora, Jeff Gonzalez, Hadwick, Hoover, Johnson, Macedo, Patterson, Sanchez, Ta, Tangipa, Wallis

NO VOTE RECORDED: Castillo, Chen, Gallagher, Lackey, Patel, Petrie-Norris, Celeste Rodriguez, Wilson

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