

CONCURRENCE IN SENATE AMENDMENTS

AB 1609 (Zbur)

As Amended August 20, 2026

Majority vote

SUMMARY

Requires large private businesses – those that make more than \$500 million in annual revenue and offer goods and services to Californians, except as specified – 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.

Senate Amendments

- 1) Recast the bill's provisions to require a large private business to:
 - a) Provide a customer service feature allowing customers to contact a customer service agent during its regular business hours, as defined.
 - b) Make a good faith effort to connect a customer to an agent within 15 minutes after a request for human customer service is made, or schedule an appointment with the customer, as specified.
 - c) If the platform offers online or telephonic customer services, make a good faith effort to limit initial and cumulative telephonic hold times.
- 2) Require certain large private businesses to post prescribed contact information on their internet website.
- 3) Reduce initial violations from \$10,000 to \$5,000.
- 4) Clarify and expands the scope of exemptions from the bill's provisions.

COMMENTS

Chatbots. A chatbot is an online application or interface designed to interact with users through either textual or verbal conversation. The first documented chatbot was developed in 1966 by MIT scientist Joseph Weizenbaum, who named his program ELIZA. Dr. Weizenbaum designed ELIZA to simulate human conversation by using pattern matching to understand the context, generating pre-scripted responses accordingly.¹ ELIZA was most notably deployed as a tool for psychotherapy; however, the nascent chatbot was extremely limited in its ability to adapt and respond, often getting caught in recursive loops of dialogue.

Since this initial experiment, there has been an explosion of chatbot use cases in customer service, health care, education, and even recreation. Below are the main types of chatbots one may encounter:

¹ Joseph Weizenbaum. "ELIZA—a computer program for the study of natural language communication between man and machine," *Communications of the ACM, Volume 9, Issue 1* (Jan. 1, 1966), 36-45, accessed at <https://dl.acm.org/doi/10.1145/365153.365168>.

Menu/Button-Based. The simplest form of chatbot, menu- or button-based bots, operate through scripted conversations. Users click on options that guide them through a decision tree or flowchart, narrowing down choices to reach a suitable response. These bots are typically used in industries with common, repetitive queries that can be answered through structured questioning. However, they lack the flexibility and nuance of more advanced chatbots.²

Rule-Based. Unlike menu-based bots, rule-based chatbots rely on predefined decision-making algorithms. These bots search user inputs by for specific keywords and generate responses based on a preprogrammed database of answers. Rather than functioning as a rigid flowchart, rule-based bots mimic human dialogue within a limited set of topics they have been trained on.³

AI Driven. GenAI has revolutionized chatbots, enabling them to simulate natural, human-like conversations. These chatbots are trained on massive datasets that include human dialogue, allowing them to recognize language patterns and understand context. AI-driven bots can generate responses that either directly address user inputs or ask clarifying questions to refine their understanding. They can operate through both text and voice interactions, making them highly versatile. Some AI-driven bots are trained on proprietary datasets tailored to specific use cases, while others, such as ChatGPT or Gemini, are powered by large language models capable of generating new content beyond their training data.⁴

Customer service chatbots. Customer service chatbots have become very popular among businesses in recent years; as of 2025, an estimated 80% of companies were using or planning to adopt chatbots for customer service.⁵ These tools can manage a large volume of routine inquiries quickly at a low cost, and can be deployed around-the-clock, reducing average response times. On the other hand, a 2024 white paper from Ipsos found that consumers have a much lower opinion of customer service chatbots: 35% of respondents said chatbots solve their problems effectively, 85% said they usually need a human to solve their problem, 77% said the bots are frustrating, and 88% prefer to talk to a human.⁶ The paper concludes: "It remains crucial that human interaction be available to customers when they request it. The AI experience must strike the right balance for customers in their moment of need."⁷

The inability to escalate a matter to a human – sometimes called "chatbot purgatory" – can be especially harmful when consumers are seeking help with sensitive or urgent matters, such as legal rights, disputed transactions and debts, and healthcare. Moreover, although model capabilities have been increasing rapidly, GenAI systems can go off-script, hallucinate – deliver confident-sounding, factually inaccurate outputs – and mishandle sensitive information. For instance, researchers showed that Lenovo's customer service chatbot, which was powered by ChatGPT, could be prompted in a manner that enabled attackers to access live chats and to

² Teaganne Finn, "6 types of chatbots and how to choose the right one for your business", *IBM* (7 March 2025), Accessed at <https://www.ibm.com/think/topics/chatbot-types>.

³ *Ibid.*

⁴ *Ibid.*

⁵ ChatMaxima, "AI Customer Support Statistics: 30 Numbers You Need to Know" (Dec. 29, 2025), <https://chatmaxima.com/blog/ai-customer-support-statistics/>.

⁶ Ipsos, "Going all in with AI? How to keep the customer at the center," (Apr. 2025), p. 3, <https://www.ipsos.com/sites/default/files/ct/publication/documents/2023-09/N180-CEX-Going%20all%20in%20with%20AI%20-%20ENG.pdf>.

⁷ *Ibid.*

potentially access past conversations and data.⁸ Chatbots can also be less effective across different cultures and languages, with only 29% of businesses having successfully deployed multilingual bots.⁹

Meanwhile, customer service chatbots are rapidly replacing human customer service jobs. A 2025 paper from Microsoft found that customer service representatives were among the jobs most likely to be automated by AI.¹⁰ Many of these positions offer substantial salaries and benefits and often do not require a college degree, providing upward mobility for individuals with disadvantaged backgrounds.

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.

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.

⁸ CX Today, "Lenovo's Customer Service AI Chatbot Got Tricked Into Revealing Sensitive Information. Here's How." (Aug. 20, 2025), <https://www.cxtoday.com/contact-center/lenovos-customer-service-ai-chatbot-got-tricked-into-revealing-sensitive-information-heres-how/>.

⁹ Sabrina McClune, "Customer Chatbots: The Good, The Bad, and the Ugly" (updated Feb. 17, 2026), <https://www.beyondencryption.com/blog/customer-chatbots-good-bad-ugly>.

¹⁰ Tomlinson et al., "Working with AI: Measuring the Applicability of Generative AI to Occupations," Arxiv (2025), <https://arxiv.org/pdf/2507.07935>.

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.

FISCAL COMMENTS

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 fiscal year (FY) 2026-27 Budget appropriated \$70 million General Fund for this purpose (Trial Court Trust Fund, General Fund).

VOTES:

ASM PRIVACY AND CONSUMER PROTECTION: 9-4-2

YES: Bauer-Kahan, Aguiar-Curry, Bryan, Irwin, Lowenthal, McKinnor, Ortega, Ward, Wicks

NO: Macedo, DeMaio, Hoover, Patterson

ABS, ABST OR NV: Petrie-Norris, Wilson

ASM JUDICIARY: 9-3-0

YES: Kalra, Bauer-Kahan, Bryan, Connolly, Harabedian, Pacheco, Papan, Stefani, Zbur

NO: Macedo, Dixon, Sanchez

ASM APPROPRIATIONS: 11-4-0

YES: Wicks, Aguiar-Curry, Calderon, Caloza, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache

NO: Hoover, Dixon, Ta, Tangipa

ASSEMBLY FLOOR: 56-16-8

YES: 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

NO: Alanis, Davies, DeMaio, Dixon, Ellis, Flora, Jeff Gonzalez, Hadwick, Hoover, Johnson, Macedo, Patterson, Sanchez, Ta, Tangipa, Wallis

ABS, ABST OR NV: Castillo, Chen, Gallagher, Lackey, Patel, Petrie-Norris, Celeste Rodriguez, Wilson

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