SENATE COMMITTEE ON ENERGY, UTILITIES AND COMMUNICATIONS

Senator Steven Bradford, Chair 2023 - 2024 Regular

Bill No: AB 2905 **Hearing Date:** 6/18/2024

Author: Low

Version: 4/25/2024 Amended

Urgency: No Fiscal: Yes

Consultant: Sarah Smith

SUBJECT: Telecommunications: automatic dialing-announcing devices: artificial voices

DIGEST: This bill requires autodialing devices to notify consumers if a prerecorded message uses an artificial voice.

ANALYSIS:

Existing law:

- 1) Defines an "automatic dialing-announcing device" as any automatic equipment which stores or creates a random sequence of telephone numbers to be called and has the ability to disseminate a prerecorded message to those telephone numbers. (Public Utilities Code §2871)
- 2) Authorizes the California Public Utilities Commission (CPUC) to regulate the use of automatic dialing-announcing devices and establishes certain requirements for the operation of these devices, including restricting the operation of automatic dialing-announcing devices to the hours of 9pm and 9am California time. Existing law also establishes various exemptions to the limitations on the use of automatic dialing-announcing devices for certain legitimate business, government, and utility purposes. Existing law specifies that these legitimate purposes include the use of these devices for emergency alerts and school notifications about attendance or health and safety issues. (Public Utilities Code §2872)
- 3) Existing law specifies that operators of automatic dialing-announcing devices must use an unrecorded, natural voice announcement to do the following before playing any pre-recorded message:
 - a) State the nature of the call, the name, address, and telephone number of the business represented, if any.
 - b) Obtain consent to play the pre-recorded message from the individual receiving the call.

This bill:

- 1) Requires the operator of an automatic dialing-announcing device to inform the person receiving the call if a pre-recorded message uses an artificial voice.
- 2) Defines "artificial intelligence" 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.
- 3) "Artificial voice" means a voice that is generated or significantly altered using artificial intelligence (AI).

Background

The CPUC regulates the use of autodialers at the state level. Automatic dialing-announcing devices, also known as autodialers, are electronic or software-based devices that automatically dial phone numbers to initiate calls that generally deliver a pre-recorded message. Existing law authorizes the CPUC to regulate the use of autodialers within California; however, the Federal Communications Commission (FCC) retains broad authority over the use of these systems on a national basis.

Robocalls using AI have given rise to new scam calls. Recent developments in AI have enabled some autodialer operators to disseminate prerecorded message created using artificially-created voices that appear to sound like real voices. AI software is capable of creating cloned voices from recordings of real individuals. This technology has led to an increase in phone-based scams using artificial voices. Recent scams have used the voices of celebrities, government officials, and the family members of call recipients to spread misinformation and extort money. The ability to imitate the voices of call recipients' family members has enabled more elaborate phone scams, including fake kidnap ransom demands.

Bill adopts restrictions on artificial voice robocalls consistent with recent FCC rules. In response to concerns about the use of artificial voices in robocalls, the FCC adopted a ruling on February 8, 2024, restricting the use of artificial voices in robocalls. The FCC noted that these restrictions were needed to ensure that autodialers using AI-generated voices comply with the Telephone Consumer Protection Act (TCPA). California's Attorney General joined 25 other state Attorney Generals in supporting the FCC's ruling. The FCC ruling states the following regarding the use of artificial voices in robocalls under the ruling:

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In this Declaratory Ruling, we confirm that the TCPA's restrictions on the use of "artificial or prerecorded voice" encompass current AI technologies that generate human voices. As a result, calls that use such technologies fall under the TCPA and the Commission's implementing rules, and therefore require the prior express consent of the called party to initiate such calls absent an emergency purpose or exemption.

This bill requires autodialers to notify a consumer about the use of an AI-generated voice and obtain consent from a consumer before disseminating a pre-recorded message using an artificial voice. These requirements are consistent with the FCC's ruling. While this bill may not prevent criminals seeking to use artificial voices in phone scams from attempting to extort customers, this bill may provide another tool at the state level to help distinguish between compliant and non-compliant autodialers.

Prior/Related Legislation

AB 2906 (Patterson, Chapter 36, Statutes of 2022) exempted school health and safety notifications from restrictions on the use of autodialers.

AB 956 (Diep, Chapter 232, Statutes of 2019) exempted 911 emergency telephone testing from restrictions on the use of autodialers.

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

SUPPORT:

None received

OPPOSITION:

None received

ARGUMENTS IN SUPPORT: According to the author:

In our tech-driven world, protecting our communities from AI scam calls is paramount. These deceptive practices, targeting vulnerable Californians, are unacceptable. That's why I'm introducing legislation to ban AI in scams. This bill underscores our commitment to protecting consumer rights, privacy, and security in the digital age.