

Federal and State Privacy and AI Legislation in 2026



**Brought to You By Your Favorite Tech Policy
Wonks:**

Tatiana Rice (FPF) & Cobun Zweifel-Keegan (IAPP)

Everything, Everywhere All in 20 Minutes

AI – 7 minutes

Privacy – 7 minutes

Q&A – 5-6 mins



The U.S. AI Landscape: Federal Talk, State Action

- Conversations around AI regulation are happening at **both the federal and state levels**
- But, while Congress has introduced dozens of bills on issues ranging from deepfakes to chatbots, very few have become law
 - One notable exception is the **TAKE IT DOWN Act**
- In practice, this means the U.S. AI legislative landscape is being **driven by state activity**
 - Over the past two years, nearly every state (from California to Idaho) has introduced at least one AI-related bill.

Everything You Need to Know About U.S. AI Legislation and Regulation

2025: Federal Messaging on AI Innovation Move States to Targeted Measures and Updates to Existing Laws

- Frontier model laws
- Chatbot / Generative AI Disclosures
- AI in Healthcare
- ADMT Updates to Privacy Laws

2026: Sweeping Approaches on Key Policy Areas Ahead of Midterms, While Federal Activity Remains Conflicted

- Chatbots, chatbots, chatbots
- Algorithmic pricing

2025 Major New AI Laws

Frontier Model Laws (CA SB 53 & NY RAISE Act)

- Regulates frontier model developers (10^{26} FLOPs + \$500mil)
- Requires: governance framework, transparency reports, safety incident reporting

Chatbot Laws

- Most only require disclosures
- CA SB 243: + safety protocols to address user self-harm, minor-specific notices
- UT SB 452: Limitations on data use and advertising
- NV AB 406 / IL HB 1806: Limitations / bans on health/mental health chatbots

AI Updates to Existing Laws

- ADMT - Privacy laws (CA, CT)
- AI - Civil rights (TX, CA, IL)

Federal Deregulation → ??

White House

Executive Order: (December 2025) Aimed at preempting state AI laws and establishing a minimally burdensome national AI standard. **Does not** itself preempt state AI laws.

— Would not preempt “kids safety laws”

Current Status? No movement from AI Litigation Task Force

Federal AI Framework: (March 2026) outlines a federal roadmap centered on seven policy priorities and calls upon Congress to create a federal standard

Congress

- Attempted moratorium (2025)
- Increased momentum on kids’ chatbot regulation (Hawley, Cruz)
- **TLDR: Don’t count on a federal uniform standard**

2026 Major New AI Laws: Chatbots, Chatbots, Chatbots

5 new laws - Idaho, Iowa, Nebraska, Oregon, Washington; CT awaiting signature

Six common provisions appear across chatbot legislation.

(Some include many of these elements, others focus on only a few; nearly all proposals include at least some form of transparency or disclosure requirement)

- (1) Transparency;**
- (2) Age Assurance & Minors' Access Controls;**
- (3) Content Safety & Harm Prevention;**
- (4) Data Protection;**
- (5) Professional Licensure & Regulated Services;**
- (6) Liability & Enforcement**

Chatbot legislation is increasingly serving as a vehicle for broader AI regulation.

- Chatbot legislation is evolving beyond basic disclosure requirements, incorporating broader AI regulatory debates (e.g. regulatory sandboxes, training data transparency, and user data and advertising practices).

2026 Major New AI Laws: Algorithmic Pricing

Maryland HB 895; CT SB 5 awaiting signature

- **Both prohibit “dynamic” or “surveillance” pricing by retailers or third-party delivery service providers.**
 - Defined as: Establishing a customized price specific to a consumer based on their personal data (as defined by respective state privacy laws)
- **Additional restrictions:**
 - MD further prohibits food retailers and third-party delivery services from using protected class data to offer or price goods in a way that denies consumers equal access to benefits or services
 - CT requires any other person engaged in surveillance pricing to mandatory disclosures
- **Both exempt: standard practices such as loyalty programs, subscription-based contracts, and pricing differences based on costs, supply, or demand**

Ongoing Revisions to the Colorado AI Act (SB 189)

Background:

Enacted in 2024, Colorado [SB 205](#) (Colorado AI Act) (CAIA) aimed to mitigate risks of discriminatory outcomes from AI-driven decisions in consequential domains by regulating how such systems are developed and deployed. The law was scheduled to go into effect [June 2026](#), following contentious legislative negotiations in 2025.

- **Scope:** Raises the threshold for when AI systems qualify as making “consequential decisions”
- **Requirements:** Removes substantive governance provisions (duties of care, risk management programs, risk assessments) and shift the law to transparency-focused
- **Consumer Rights:** SB 189 narrows consumer rights by limiting them to situations where adverse decisions are made
- **Liability:** Apportions liability under existing anti-discrimination law to developers and deployers based on intended use.

The Patchwork: Bigger and the Same

- Comprehensive privacy legislation continues its march across the country.
- Two new states in 2026 so far:
 - Oklahoma
 - Alabama
- The session is slowing down...



US State Privacy Legislation Tracker 2026

Statute/bill in legislative process

- Introduced
- In committee
- In cross chamber
- In cross committee
- Passed
- Signed
- Inactive bills
- No comprehensive bills introduced



* Florida's Digital Bill of Rights falls outside the scope followed by the IAPP, please consult the article on the landing page for more information.

Last updated 4 May 2026



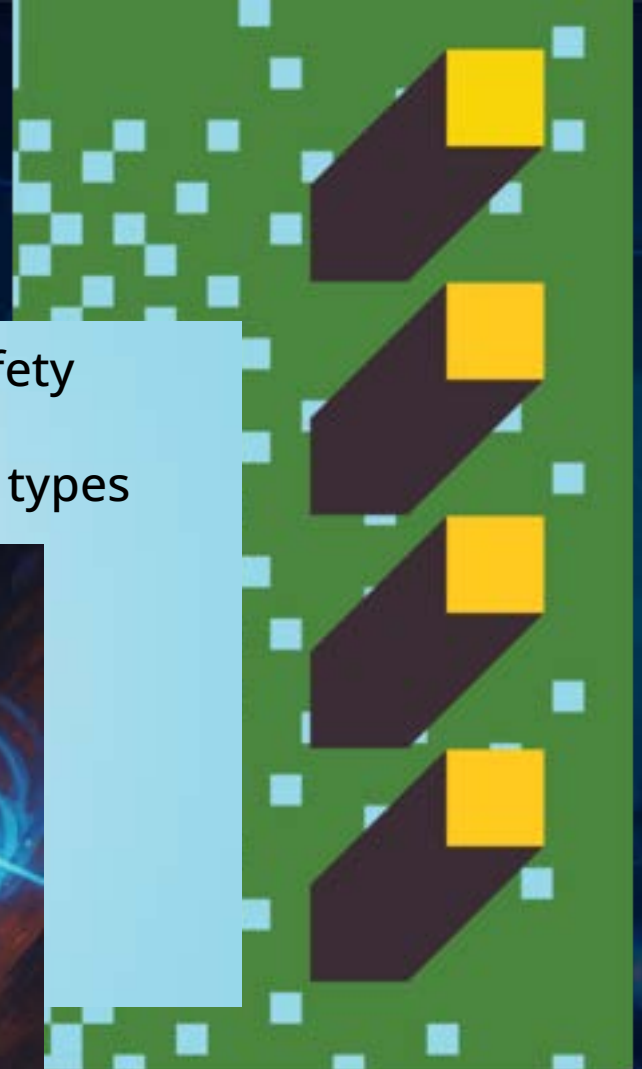
Amendment Era Continues

- Connecticut passed SB 4, yet another amendment to the state's comprehensive privacy law.
 - 5th state to implement a data broker registry
 - Joining CA, OR, TX, VT — effective 1 Jan. 2027
 - 4th state to ban sale of precise geolocation data
 - Joining MD, OR, VA — effective 1 Oct. 2026
 - Other changes:
 - Narrower publicly available information exemption
 - Deletion applies to consumer profiles and inferences
 - New obligations for: (1) facial recognition in security systems and (2) genetic testing companies
 - Effective 1 Oct. 2026



Youth Legislation = Combo Attack

- The fractured wave of youth privacy and safety legislation also continues in 2026
- Age assurance is common across legislative types



AADCs: Where are They Now?

State	Year Passed	Law Name	Enforceability
California	2022	CA Age-Appropriate Design Code Act (AB 2273)	Largely blocked / partially revived — enforcement enjoined in 2023; a 2026 appellate ruling allowed limited provisions to take effect, but core obligations remain tied up in litigation
Maryland	2024	Maryland Kids Code (SB 571)	In effect, but under active litigation — Enforceable since October 2024, key parts of the challenge survived a motion to dismiss, but the court did not enjoin the law
Nebraska	2025	Nebraska AADC (LB 504)	Not blocked; just amended this month (LB 838) — Effective July 2026
Vermont	2025	Vermont AADC (S.69)	Not blocked; not yet enforceable — scheduled to take effect 1 January 2027
South Carolina	2026	SC Age-Appropriate Code Design Act (H.3431)	In effect, but under active litigation — effective immediately upon signing in Feb. 2026; NetChoice seeking injunction

Youth Privacy & Safety Bills - House Energy & Commerce Committee Markup - 5 March 2026

	<u>Bill Number</u>	<u>Bill Name</u>	<u>Status in House after Markup</u>	<u>Obligations, in Short</u>
	H.R. 6291	Children and Teens' Online Privacy Protection Act (COPPA 2.0)	Pulled from consideration in the markup, after the full Senate passed its version of the bill on voice vote while the E&C Committee debated other bills.	Extends COPPA protections to teens; requires covered services to apply COPPA rules to users under 17.
	H.R. 2952	Sammy's Law	Passed out of full Committee, 26-16	Large social platforms must provide APIs for delegated parental controls and hourly data transfer; safety software must register, pass audits, and protect data.
	H.R. 3149	App Store Accountability Act	Passed out of full Committee, 26-23.	App stores must verify age, link minors to parents, and pass age signals; apps must honor signals, request consent, and flag significant changes.
	H.R. 7252	Kids Internet and Digital Safety (KIDS) Act	Passed out of full Committee, 28-24.	
Title 1	H.R. 1021	Shielding Children's Retinas from Egregious Exposure on the Net (SCREEN) Act	-	Covered platforms must implement age verification with strong data security, minimize retention, and undergo FTC audits; GAD will assess effectiveness.
Title 2 Sub. A	H.R. 6884	Kids Online Safety Act (KOSA)	-	Covered platforms must reduce risks to minors by implementing default privacy protections, parental control tools, and safeguards against harms like exploitation, bullying, and addictive design. Unlike Senate version, no Duty of Care.

Federal Comprehensive Privacy

- The dream is alive, technically.
- **SECURE Data Act** (H.R. 8413)
 - Broad scope, but *many* exemptions
 - Reflects the minimal baseline of the state “consensus framework”
 - Strong preemption; no private right of action
 - Teen data (13-15) is sensitive; parental consent
 - Interesting safe harbor provision
 - A milestone: House Republicans’ starting point
- Companion bill would revise GLBA
 - **Guard Financial Data Act** (HR 2978)