

SB3601 • Illinois

PROFESSIONAL AI OVERSIGHT ACT

Introduced

Risk: Medium

Comprehensive

Effective: Jan 01, 2027 | Last Action (May 22, 2026): Rule 3-9(a) / Re-referred to Assignments

Summary

The Professional AI Oversight Act mandates disclosure of AI use, including its specific purpose, by licensees when a person is paying for the service, effective January 1, 2027.

Business Impact

If you provide AI services in Illinois, you must disclose AI use and purpose at the start of exchanges by January 1, 2027, or face penalties.

Key Provisions

- Licensees under the Department's jurisdiction must disclose AI interactions verbally at the start of an oral exchange or in writing before a written exchange when the client is paying for the service.
- Disclosure must include the specific purpose of the AI's use.
- Civil penalties for violations can reach up to \$2,500, determined by the degree of harm and circumstances, and must be paid within 60 days after the issuance of an order by the Department.
- The Department's order constitutes a judgment and may be filed and executed like a court judgment.
- The Department of Financial and Professional Regulation has rulemaking authority.
- The Act amends the Consumer Fraud and Deceptive Business Practices Act to require disclosure if asked or prompted in trade and commerce.
- Effective date is January 1, 2027.
- The Department may investigate any actual, alleged, or suspected violation of the Act.

Compliance Checklist

- Provide verbal disclosure of AI interaction at the start of conversations. | Who: Licensees providing services. | Penalty: Up to \$2,500 per violation.

- Provide written disclosure of AI interaction before written exchanges. | Who: Licensees providing services. | Penalty: Up to \$2,500 per violation.

Industries Affected

Finance

Consumer Protection

Topics

AI Transparency

Comprehensive AI

Bill Sponsors

Name	Party	Role
Steve Stadelman	D	Sponsor

Related Bills

- SB 3601 (IL)

Official Source

<https://www.ilga.gov/Legislation/BillStatus?DocNum=3601&GAID;=18&DocTypeID;=SB&SessionID;=114&GA;=104>

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