

SB365 • Virginia

Fostering Access, Innovation, and Responsibility in Artificial Intelligence Act; established.

Introduced

Risk: High

Comprehensive

Effective: Jul 01, 2027 | Last Action (Feb 04, 2026): Continued to next session in General Laws and Technology (14-Y 0-N 1-A)

Summary

The FAIR AI Act mandates disclosures in AI model terms of service, specifying elements like data usage and model limitations, limits defenses in harm-related legal actions, and supports enforcement against AI misuse.

Business Impact

If you develop AI models, you must disclose their capabilities and limitations by July 1, 2027, or face penalties for misuse.

Key Provisions

- Developers must disclose information in clear and conspicuous terms in the terms of service, appropriate for the medium, with elements such as data usage, model limitations, and potential biases specified by the bill.
- Establishment of the FAIR AI Enforcement Fund for supporting agency enforcement of AI system misuse, bias, and workforce disruption.
- Limitation of defenses in civil or criminal actions related to AI systems for those alleged to have developed, modified, or deployed AI systems causing harm to a plaintiff.
- Definitions provided for key terms such as 'artificial intelligence system' and 'base artificial intelligence model'.
- Delayed effective date of July 1, 2027, for compliance.
- Disclosure does not absolve liability for harm caused.

Compliance Checklist

- Provide required disclosures in terms of service for AI models | Who: Developers of base artificial intelligence models | Penalty: Potential liability for harm caused without proper

disclosure

- Contribute to the FAIR AI Enforcement Fund as required | Who: State agencies managing AI enforcement | Penalty: Inability to enforce AI regulations effectively

Industries Affected

Artificial
Intelligence

Software
Development

Law Enforcement

Government

Technology

Topics

AI Transparency

Comprehensive AI

Bill Sponsors

Name	Party	Role
Lionell Spruill, Sr.		Primary
Siobhan S. Dunnavant		Primary
Bill DeSteph	Republican	Primary
Richard H. Stuart	Republican	Primary
Stella G. Pekarsky	Democratic	Primary

Roll Call Votes

Date	Description	Yea	Nay	Result
2026-02-04	Continued to next session in General Laws and Tech	14	0	Passed

Related Bills

- HB713 (VA)

Official Source

<https://lis.virginia.gov/bill-details/20261/SB365>

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