

SB 3601 • Illinois

PROFESSIONAL AI OVERSIGHT ACT

In Committee

Risk: High

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 licensees to disclose AI use, notifying the person of the AI's specific purpose before a written exchange and verbally at the start of an oral exchange.

Business Impact

If you use AI in customer interactions in Illinois, you must disclose its use or face penalties up to \$2,500 per violation starting January 1, 2027.

Key Provisions

- Licensees must provide prominently clear and conspicuous disclosure of AI interactions, notifying the person of the specific purpose of the AI's use verbally at the start of an oral exchange and in writing before a written exchange.
- Verbal disclosure is required at the start of an oral exchange and written disclosure before a written exchange.
- Violators face civil penalties not to exceed \$2,500 per violation.
- Penalties assessed by the Department based on the degree of harm and circumstances.
- The Department of Financial and Professional Regulation has rulemaking and enforcement authority.
- The Department may investigate any actual, alleged, or suspected violation of the Act.
- The Department's order can be filed and executed as a court judgment, and civil penalties must be paid within 60 days after issuance.
- The Act amends the Consumer Fraud and Deceptive Business Practices Act to require AI interaction disclosure in trade and commerce if asked or prompted by the person.

Compliance Checklist

- Disclose AI usage to consumers at the start of interactions. | Who: Any business using AI in customer interactions. | Penalty: Up to \$2,500 per violation.
- Provide written notice of AI usage before written exchanges. | Who: Any business using AI in customer interactions. | Penalty: Up to \$2,500 per violation.

Industries Affected

Finance

Consumer Protection

Topics

AI Transparency

Comprehensive AI

Bill Sponsors

Name	Party	Role
Steve Stadelman		Primary

Related Bills

- SB3601 (IL)

Official Source

<https://ilga.gov/Legislation/BillStatus?DocNum=3601&GAID;=18&DocTypeID;=SB&LegId;=166696&SessionID;=114>

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