

# HB 1263 • Colorado

## Conversational Artificial Intelligence Service Operator Requirements

Unknown

Risk: Medium

Sector-Specific

Effective: Jan 01, 2027 | Last Action (Mar 31, 2026): House Second Reading Laid Over Daily - No Amendments

### Summary

The bill mandates requirements for operators of conversational AI services, including consumer disclosures and prohibiting AI output from being equated to professional services.

### Business Impact

If you operate a conversational AI service in Colorado, you must comply with new requirements for minor users by January 1, 2027, or face \$1,000 fines per violation.

### Key Provisions

- Operators must provide consumer disclosures.
- Operators are prohibited from incentivizing minor users with rewards.
- Operators must prevent the service from producing sexually explicit content.
- Operators must provide privacy management tools for minors and their guardians.
- Operators must implement protocols for addressing suicidal ideation.
- Operators cannot imply AI output is equivalent to professional services.
- Violations are subject to civil penalties of \$1,000 per occurrence.

### Compliance Checklist

- Provide disclosures for minor users | Who: Operators of conversational AI services | Penalty: \$1,000 per violation
- Implement measures to prevent inappropriate content | Who: Operators of conversational AI services | Penalty: \$1,000 per violation
- Offer privacy management tools for minors | Who: Operators of conversational AI services | Penalty: \$1,000 per violation
- Annually report compliance protocols to the attorney general | Who: Operators of conversational AI services | Penalty: \$1,000 per violation

## Industries Affected

Consumer Protection

Technology

Artificial Intelligence

## Topics

AI CSAM

AI Transparency

Comprehensive AI

AI Privacy

User-Facing AI

## Bill Sponsors

Name	Party	Role
S. Camacho		Sponsor
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## Official Source

<https://openstates.org/co/bills/2026A/HB1263/>

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