

# SENATE BILL NO. 1324

103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR HUDSON.

4424S.011

KRISTINA MARTIN, Secretary

## AN ACT

To amend chapter 407, RSMo, by adding thereto seven new sections relating to regulation of artificially generated online content using artificial intelligence, with penalty provisions and a severability clause.

*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Chapter 407, RSMo, is amended by adding thereto  
2 seven new sections, to be known as sections 407.3000, 407.3001,  
3 407.3002, 407.3003, 407.3004, 407.3005, and 407.3006, to read  
4 as follows:

407.3000. The provisions of sections 407.3000 to  
2 407.3006 shall be known as and may be cited as the "Missouri  
3 Artificial Intelligence Transparency and Accountability Act"  
4 and shall become effective on January 1, 2027.

407.3001. As used in sections 407.3002 to 407.3006,  
2 the following terms shall mean:

3 (1) "AI-generated content", any text, audio, image,  
4 video, or other media created or substantially modified by  
5 an AI system;

6 (2) "Artificial intelligence system" or "AI system", a  
7 computer-based system that can, for a given set of human-  
8 defined objectives, make predictions, recommendations, or  
9 decisions influencing real or virtual environments,  
10 including generative artificial intelligence capable of  
11 producing text, audio, images, or video;

12 (3) "Deepfake", AI-generated or manipulated media that  
13 depicts a person saying or doing something they did not say  
14 or do, often with deceptive intent;

15 (4) "Deployer", an entity that uses an AI system to  
16 generate content for public consumption;

17 (5) "Developer", an entity that designs, builds, or  
18 trains an AI system;

19 (6) "Public consumption", content distributed through  
20 platforms accessible to the general public, including social  
21 media, websites, broadcasts, or other public forums, whether  
22 free or paid;

23 (7) "Usage log", a record of AI system operations,  
24 including the date, time, user identity (if applicable),  
25 input parameters, and output generated;

26 (8) "Watermark", a visible or embedded marker  
27 indicating that content is AI-generated.

407.3002. 1. Any person or entity creating AI-  
2 generated content for public consumption shall clearly label  
3 the content as "AI-generated" in a prominent and conspicuous  
4 manner. The label shall include the following:

5 (1) The name of the AI system used and, if applicable,  
6 the name of the developer or deployer;

7 (2) If text is used, the label shall appear at the  
8 beginning of the text or in a visible header or footer;

9 (3) If audio is used, a verbal or audible disclosure  
10 at the start of the audio. For any audio exceeding thirty  
11 seconds, the disclosure shall appear every two minutes; and

12 (4) For images or videos, a visible watermark or  
13 overlay embedded with a text disclosure appearing in  
14 metadata and captions.

15 2. Any AI-generated content depicting a real  
16 individual including, but not limited to, audio or video

17 mimicking voices or likeness, shall include an additional  
18 disclaimer as follows: "This content is AI-generated and  
19 does not reflect the actual statements or actions of the  
20 depicted individual". Deployers shall verify the  
21 authenticity of the content under this subsection before  
22 generating such content and shall obtain consent from the  
23 individual depicted in the content, except if the content is  
24 used for parody or satire.

25 3. Labels and watermarks on any AI-generated content  
26 required under section 407.3002 shall be accessible to  
27 individuals with disabilities pursuant to section 508 of the  
28 federal Rehabilitation Act, Web Content Accessibility  
29 Guidelines (WCAG) 2.1, or any other provisions of current  
30 law. Exceptions include:

31 (1) Content generated for private and non-commercial  
32 use that is not shared publicly;

33 (2) AI-generated content used solely for internal  
34 business operations for research, not intended for public  
35 distribution; or

36 (3) Content that uses minimal AI assistance that does  
37 not substantially alter the content's meaning or authorship,  
38 including, but not limited to, grammar correction tools.

407.3003. 1. Developers and deployers shall maintain  
2 usage logs for all AI system content distributed for public  
3 consumption. Such usage logs shall include:

4 (1) Date and time of content generation;

5 (2) Identity of the user or entity generating the  
6 content, if applicable;

7 (3) Input parameters or prompts used;

8 (4) Description of the output, including, but not  
9 limited to, the type of content, file size, intended  
10 platform; and

11           (5) Metadata linking the log to the specific AI system  
12 and version.

13           2. Usage logs under this subsection shall be retained  
14 for a minimum of seven years from the date of content  
15 generation, unless otherwise required by current law.

16           3. Usage logs under this subsection shall be stored  
17 with encryption and any access to the logs shall be  
18 controlled by the developer or deployer to prevent  
19 unauthorized access.

20           4. Any personal data in the usage logs shall be kept  
21 anonymous and protected pursuant to current law, except when  
22 requested for law enforcement purposes. Such data shall  
23 only be available to law enforcement upon the issuance of a  
24 warrant or a subpoena specifying the scope of the request.  
25 Developers and deployers shall provide the logs within  
26 fourteen business days after receiving the warrant or  
27 subpoena, unless expedited by a court order. Law  
28 enforcement may use the logs to investigate violations of  
29 sections 407.3000 to 407.3006, fraud, identity theft,  
30 election interference, or any other violation involving AI-  
31 generated content.

          407.3004. 1. The attorney general shall enforce  
2 provisions of sections 407.3000 to 407.3006. Any person may  
3 report violations of sections 407.3000 to 407.3006 to the  
4 attorney general. If the attorney general finds that  
5 provisions of sections 407.3000 to 407.3006 have been  
6 violated, the attorney general shall commence a civil action  
7 in the court of competent jurisdiction. If the court finds  
8 that a violation occurred, the court may grant actual  
9 damages, injunctive relief, attorney fees, and any such  
10 other relief the court finds appropriate. The court may  
11 grant civil penalties as follows:

- 12           (1) A civil penalty not to exceed five thousand  
13 dollars for the first violation;
- 14           (2) A civil penalty not to exceed twenty-five thousand  
15 dollars for any subsequent violation;
- 16           (3) A civil penalty not to exceed fifty thousand  
17 dollars per violation for failure to maintain usage logs; and
- 18           (4) A civil penalty not to exceed one hundred thousand  
19 dollars per violation for any violation involving knowingly  
20 producing deepfakes without labeling and consent pursuant to  
21 section 407.3002.

22           2. Nothing in this section shall preclude an  
23 individual from bringing a private civil action in a court  
24 of competent jurisdiction for any violation of sections  
25 407.3000 to 407.3006.

26           3. Individuals and entities that demonstrate good-  
27 faith compliance with sections 407.3000 to 407.3006,  
28 including, but not limited to, implementing industry-  
29 standard watermarking or maintaining usage logs, may raise  
30 an affirmative defense to reduce civil penalties, provided  
31 they cure any violation within thirty days after receiving  
32 notice of the civil action under this section.

          407.3005. 1. Within one hundred and eighty days after  
2 the effective date of sections 407.3000 to 407.3006, the  
3 Missouri department of commerce and insurance may promulgate  
4 rules to enforce provisions of sections 407.3000 to  
5 407.3006. The rules shall specify technical standards for  
6 watermarks and labels, define acceptable formats for usage  
7 logs, and establish procedures for law enforcement access to  
8 the usage logs. Any rule or portion of a rule, as that term  
9 is defined in section 536.010, that is created under the  
10 authority delegated in this section shall become effective  
11 only if it complies with and is subject to all of the

12 provisions of chapter 536 and, if applicable, section  
13 536.028. This section and chapter 536 are nonseverable and  
14 if any of the powers vested with the general assembly  
15 pursuant to chapter 536 to review, to delay the effective  
16 date, or to disapprove and annul a rule are subsequently  
17 held unconstitutional, then the grant of rulemaking  
18 authority and any rule proposed or adopted after August 28,  
19 2026, shall be invalid and void.

20         2. The department shall launch a public awareness  
21 campaign to educate Missouri residents about AI-generated  
22 content and the residents' rights under sections 407.3000 to  
23 407.3006.

24         3. The department shall establish an AI task force  
25 comprised of members from the general assembly, industry,  
26 academia, and consumer advocacy groups to:

27             (1) Monitor compliance with sections 407.3000 to  
28 407.3006;

29             (2) Recommend updates to comply with emerging AI  
30 technologies; and

31             (3) Submit an annual report to the general assembly on  
32 the impact of provisions of sections 407.3000 to 407.3006.

       407.3006. Nothing in sections 407.3000 to 407.3006  
2 shall preempt any city, town, county, or any other political  
3 subdivision from enacting stricter or more stringent  
4 ordinances, laws, or rules provided they do not conflict  
5 with provisions of sections 407.3000 to 407.3006.

       Section B. If any provision of section A of this act  
2 or the application thereof to anyone or to any circumstance  
3 is held invalid, the remainder of those sections and the  
4 application of such provisions to others or other  
5 circumstances shall not be affected thereby.

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