

SB 657-FN - AS INTRODUCED

2026 SESSION

26-3270

07/09

SENATE BILL **657-FN**

AN ACT relative to the oversight of artificial intelligence.

SPONSORS: Sen. Perkins Kwoka, Dist 21; Sen. Rosenwald, Dist 13; Sen. Prentiss, Dist 5; Sen. Long, Dist 20; Sen. Watters, Dist 4; Rep. Simpson, Rock. 33; Rep. Telerski, Hills. 11

COMMITTEE: Judiciary

ANALYSIS

This bill:

- I. Establishes an artificial intelligence oversight position with the department of justice.
- II. Creates a civil right of action for certain uses of artificial intelligence.
- III. Creates a study commission to oversee the use of artificial intelligence in the state.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears [~~in brackets and struck through.~~]
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty-Six

AN ACT relative to the oversight of artificial intelligence.

Be it Enacted by the Senate and House of Representatives in General Court convened:

- 1 1 Short Title. This act shall be known as the "Artificial Oversight Intelligence Act."
- 2 2 Statement of Purpose. The general court hereby finds that the state has a vested interest in:
 - 3 I. Establishing a dedicated position within the attorney general's office to monitor the
 - 4 development, deployment, and impact of artificial intelligence (AI) in New Hampshire;
 - 5 II. Protecting consumers and workers from unfair, deceptive, or harmful uses of AI;
 - 6 III. Promoting transparency, accountability, and informed policy development around AI in
 - 7 New Hampshire;
 - 8 IV. Establishing a study commission to research and make recommendations regarding AI's
 - 9 impact on labor, wages, commerce, education, health care, elections, and other societal sectors; and
 - 10 V. Evaluating the use of AI in political campaigns, advertisements, and messaging to ensure
 - 11 transparency, fairness, and prevent misleading or deceptive practices.
- 12 3 New Subdivision; Artificial Intelligence Analysis. Amend RSA 21-M by inserting after section
- 13 19 the following new subdivision:
 - 14 Artificial Intelligence Analysis
 - 15 21-M:20 Artificial Intelligence Analyst.
 - 16 I. The department of justice shall establish a full-time position dedicated to artificial
 - 17 intelligence oversight (AI).
 - 18 II. The position shall:
 - 19 (a) Monitor the development and deployment of AI in New Hampshire, including, but
 - 20 not limited to, consumer-facing products, consumer pricing, labor applications, commercial
 - 21 marketing technologies, and environmental implications;
 - 22 (b) Investigate potential consumer protection violations arising from AI, including, but
 - 23 not limited to, misleading, deceptive, or manipulative uses in commercial advertising;
 - 24 (c) Evaluate AI systems for potential labor-related harms, including wage suppression,
 - 25 misclassification, or automated discrimination;
 - 26 (d) Provide guidance and reports to the attorney general regarding AI risks, enforcement
 - 27 priorities, and use of the technology in the state; and
 - 28 (e) Coordinate with state agencies, including the departments of labor, education,
 - 29 energy, environmental services, and health and human services, and other agencies as necessary.
 - 30 III. The attorney general may adopt policies and procedures, pursuant to RSA 541-A, as
 - 31 necessary to carry out the duties of this position.

1 21-M:21 Annual Appropriation. There is hereby appropriated annually the sum of \$150,000 to
2 the department of justice for the purpose of funding the artificial intelligence analyst position
3 established under RSA 21-M:20. The governor is authorized to draw a warrant for said sum out of
4 any money in the treasury not otherwise appropriated.

5 21-M:22 Artificial Intelligence Oversight Commission.

6 I. There is established a commission to study the broader commercial and political effects of
7 artificial intelligence (AI) in New Hampshire.

8 II. Notwithstanding RSA 14:49, II(c), the members of the commission shall be as follows:

9 (a) Two members of the senate, appointed by the president of the senate.

10 (b) Two members of the house of representatives, appointed by the speaker of the house
11 of representatives.

12 (c) The attorney general, or designee.

13 (d) The secretary of state, or designee.

14 (e) The commissioner of the department of labor, or designee.

15 (f) The commissioner of the department of education, or designee.

16 (g) The commissioner of the department of health and human services, or designee.

17 (h) One member appointed by the governor, who shall have expertise in technology or

18 AI.

19 (i) One member of the general public, appointed by the governor.

20 III. Legislative members of the commission shall receive mileage at the legislative rate when
21 attending to the duties of the commission.

22 IV. The commission shall:

23 (a) Study how AI development and implementation affects:

24 (1) Workforce composition and employment patterns;

25 (2) Wages and compensation;

26 (3) Education, training, and skill requirements;

27 (4) Health care delivery and patient outcomes;

28 (5) Consumer protections, including fairness, privacy, and transparency; and

29 (6) Political and campaign communications, including advertisements, messaging,
30 and microtargeting using AI, and the potential for misleading or manipulative content.

31 (b) Make recommendations regarding policies, regulations, or legislation to mitigate the
32 negative impacts and maximize the public benefits of AI.

33 V. The members of the study commission shall elect a chairperson from among the
34 members. The first meeting of the commission shall be called by the first-named senate member.
35 The first meeting of the commission shall be held within 45 days of the effective date of this section.
36 Six members of the commission shall constitute a quorum.

1 VI. The commission shall report its findings and any recommendations for proposed
2 legislation to the president of the senate, the speaker of the house of representatives, the senate
3 clerk, the house clerk, the governor, and the state library on or before the first of each November.

4 4 New Subdivision; Civil Action for Deceptive Use of Artificial Intelligence. Amend RSA 507 by
5 inserting after section 8-k the following new subdivision:

6 Civil Action for Deceptive Use of Artificial Intelligence

7 507:8-1 Definitions. As used in this subdivision:

8 I. "Artificial intelligence system" means any machine-based system that, for explicit or
9 implicit objectives, infers from inputs to generate outputs, such as content, predictions,
10 recommendations, or decisions, that influence physical or virtual environments.

11 II. "Deceptive use of artificial intelligence" means the use of an artificial intelligence system
12 in a manner that:

13 (a) Knowingly or recklessly misrepresents the identity, intent, or authority of a natural
14 person or entity;

15 (b) Knowingly creates, alters, or disseminates synthetic content that a reasonable person
16 would believe to be authentic, where such belief is material to a transaction, decision, or reputational
17 assessment; or

18 (c) Omits disclosure of the use of artificial intelligence where such omission renders the
19 communication or conduct materially misleading under the circumstances.

20 III. "Synthetic content" means audio, visual, audiovisual, or textual content generated or
21 materially altered by artificial intelligence so as to appear to be created by a natural person.

22 IV. "Materially misleading" means likely to affect a reasonable person's conduct, decision-
23 making, or understanding of a material fact.

24 507:8-m Prohibited Conduct.

25 I. No person shall engage in the deceptive use of artificial intelligence in commerce,
26 employment, political advocacy, legal proceedings, or any transaction or interaction where reliance
27 by another person is reasonably foreseeable.

28 II. This subdivision shall apply regardless of whether the artificial intelligence system is
29 deployed directly by the person or through an agent, contractor, or third-party platform.

30 507:8-n Causes of Action.

31 I. Any person injured by a violation of this subdivision may bring a civil action in the circuit
32 court district division.

33 II. A plaintiff shall not be required to prove actual reliance if the deceptive use of artificial
34 intelligence was material and reasonably likely to mislead.

35 III. Each distinct dissemination or deployment of deceptive synthetic content shall
36 constitute a separate violation.

37 507:8-o Damages and Remedies.

1 I. A plaintiff prevailing under this subdivision may recover:

2 (a) Actual damages, including economic loss, emotional distress, and reputational harm;

3 or

4 (b) Statutory damages of not less than \$1,000 and not more than \$10,000 per violation,
5 whichever is greater.

6 II. If the court finds that the violation was knowing, willful, or reckless, it may award:

7 (a) Treble damages, or

8 (b) Statutory damages of up to \$25,000 per violation, whichever is greater.

9 III. The court may also award:

10 (a) Reasonable attorney's fees and costs;

11 (b) Injunctive or declaratory relief; and

12 (c) An order requiring disclosure, correction, or removal of deceptive synthetic content.

13 507:8-p Affirmative Defenses.

14 I. It shall be an affirmative defense to an action pursued under this subdivision that:

15 (a) The synthetic content was clearly and conspicuously disclosed as AI-generated at the
16 time of dissemination;

17 (b) The use constituted parody, satire, or commentary protected by the First
18 Amendment, and a reasonable person would not believe the content to be actual; or

19 (c) The defendant reasonably relied on representations from a third-party AI provider
20 regarding compliance with this subdivision.

21 II. This subdivision shall not apply to:

22 (a) Internal research or testing not intended for public dissemination;

23 (b) Law enforcement or judicial uses authorized by law;

24 (c) Uses solely for accessibility or translation purposes, where no deception is intended
25 or reasonably foreseeable;

26 (d) The provider or developer of any technology used in the creation of synthetic content;

27 and

28 (e) Any information service, system, or access software provider that provides or enables
29 computer access by multiple users to a computer server, including specifically a service or system
30 that provides access to the Internet and such systems operated or services offered by libraries or
31 educational institutions.

32 507:8-q Preemption.

33 I. The remedies provided by this subdivision shall be cumulative and shall not preempt or
34 limit any other remedy available under law, including RSA 358-A.

35 II. Nothing in this subdivision shall be construed to limit constitutionally protected speech.

36 5 Effective Date. This act shall take effect 60 days after its passage.

SB 657-FN- FISCAL NOTE
 AS INTRODUCED

AN ACT relative to the oversight of artificial intelligence.

FISCAL IMPACT: The appropriation included in the bill does not fully fund the bill and not all positions requested are authorized.

Estimated State Impact				
	FY 2026	FY 2027	FY 2028	FY 2029
Revenue	\$0	\$0	\$0	\$0
<i>Revenue Fund(s)</i>	None			
Expenditures*	\$0	Indeterminable Increase \$400,000 to \$900,000	Indeterminable Increase \$400,000 to \$900,000	Indeterminable Increase \$400,000 to \$900,000
<i>Funding Source(s)</i>	General Fund			
Appropriations*	\$0	\$150,000	\$150,000	\$150,000
<i>Funding Source(s)</i>	General Fund			

*Expenditure = Cost of bill

*Appropriation = Authorized funding to cover cost of bill

METHODOLOGY:

This bill establishes an artificial intelligence oversight framework within the Department of Justice by creating a full time artificial intelligence analyst position and makes an annual appropriation of \$150,000 from the General Fund to fund the position. Additionally, this bill establishes a study commission on the impacts of artificial intelligence, and creates a new civil cause of action for the deceptive use of artificial intelligence.

The Department of Justice states this bill establishes one full time artificial intelligence analyst position within the Attorney General’s Office and includes an annual appropriation of \$150,000 to fund salary, benefits, and associated operating costs. The Department assumes the position would be classified as a Data Scientist, SOC 15-2050, beginning at step 2, with total salary, benefit, and operating costs estimated at approximately \$125,000 in FY 2027, \$127,000 in FY 2028, and \$133,000 in FY 2029, which can be supported within the annual appropriation provided by the bill. Additionally, this bill also establishes an artificial intelligence oversight commission. The Department notes that participation on the commission can be absorbed within existing resources and does not result in additional expenditures.

The Judicial Branch states this bill creates a new civil cause of action for the deceptive use of artificial intelligence in the Circuit Court District Division. The Branch indicates this would establish a new and potentially complex case type on the District Division docket and would require additional administrative resources to develop and maintain forms, guidance materials, and training resources for judges and court staff. Because the volume of filings and the complexity of such cases cannot be predicted, the Judicial Branch states the fiscal impact is indeterminable. However, the Branch anticipates the need for at least one additional full time equivalent position to administer the program and provide ongoing training to judges and staff, as well as additional judicial and court staff resources to address the increased caseload. The Judicial Branch estimates the fiscal impact to be between \$250,000 and \$750,000 per fiscal year beginning in FY 2027, funded from the General Fund.

This bill does not fund nor does it authorize Judicial Branch positions.

AGENCIES CONTACTED:

Department of Justice and Judicial Branch