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(Original Signature of Member)

119TH CONGRESS
1ST SESSION

H. R. 1770

To direct the Consumer Product Safety Commission to establish a pilot program to explore the use of artificial intelligence in support of the mission of the Commission and to direct the Secretary of Commerce and the Federal Trade Commission to study and report on the use of blockchain technology and tokens, respectively.

IN THE HOUSE OF REPRESENTATIVES

Mr. SOTO introduced the following bill; which was referred to the Committee
on _____

A BILL

To direct the Consumer Product Safety Commission to establish a pilot program to explore the use of artificial intelligence in support of the mission of the Commission and to direct the Secretary of Commerce and the Federal Trade Commission to study and report on the use of blockchain technology and tokens, respectively.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) SHORT TITLE.—This Act may be cited as the
3 “Consumer Safety Technology Act”.

4 (b) TABLE OF CONTENTS.—The table of contents for
5 this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Definitions.

TITLE I—ARTIFICIAL INTELLIGENCE AND CONSUMER PRODUCT
SAFETY

Sec. 101. Short title.

Sec. 102. Pilot program for use of artificial intelligence by Consumer Product
Safety Commission.

TITLE II—BLOCKCHAIN TECHNOLOGY INNOVATION

Sec. 201. Short title.

Sec. 202. Study on blockchain technology and its use in consumer protection.

TITLE III—TOKEN TAXONOMY

Sec. 301. Short title.

Sec. 302. Findings.

Sec. 303. Report on unfair or deceptive acts or practices in transactions relat-
ing to tokens.

6 **SEC. 2. DEFINITIONS.**

7 In this Act—

8 (1) the term “consumer product” has the
9 meaning given such term in section 3(a) of the Con-
10 sumer Product Safety Act (15 U.S.C. 2052(a));

11 (2) the term “Secretary” means the Secretary
12 of Commerce; and

13 (3) the term “token” means a transferrable,
14 digital representation of information recorded on a
15 blockchain or other distributed ledger technology.

1 **TITLE I—ARTIFICIAL INTEL-**
2 **LIGENCE AND CONSUMER**
3 **PRODUCT SAFETY**

4 **SEC. 101. SHORT TITLE.**

5 This title may be cited as the “AI for Consumer
6 Product Safety Act”.

7 **SEC. 102. PILOT PROGRAM FOR USE OF ARTIFICIAL INTEL-**
8 **LIGENCE BY CONSUMER PRODUCT SAFETY**
9 **COMMISSION.**

10 (a) **ESTABLISHMENT.**—Not later than 1 year after
11 the date of the enactment of this Act, the Consumer Prod-
12 uct Safety Commission shall establish a pilot program to
13 explore the use of artificial intelligence by the Commission
14 in support of the consumer product safety mission of the
15 Commission, as described in section 2(b) of the Consumer
16 Product Safety Act (15 U.S.C. 2051(b)).

17 (b) **REQUIREMENTS.**—In conducting the pilot pro-
18 gram established under subsection (a), the Commission
19 shall do the following:

20 (1) Use artificial intelligence for at least 1 of
21 the following purposes:

22 (A) Tracking trends with respect to inju-
23 ries involving consumer products.

24 (B) Identifying consumer product hazards.

1 (C) Monitoring the retail marketplace (in-
2 cluding internet websites) for the sale of re-
3 called consumer products (including both new
4 and used products).

5 (D) Identifying consumer products re-
6 quired by section 17(a) of the Consumer Prod-
7 uct Safety Act (15 U.S.C. 2066(a)) to be re-
8 fused admission into the customs territory of
9 the United States.

10 (2) Consistent with section 6 of the Consumer
11 Product Safety Act (15 U.S.C. 2055), consult with
12 the following:

13 (A) Technologists, data scientists, and ex-
14 perts in artificial intelligence and machine
15 learning.

16 (B) Cybersecurity experts.

17 (C) Members of the retail industry.

18 (D) Consumer product manufacturers.

19 (E) Consumer product safety organiza-
20 tions.

21 (F) Any other person the Commission con-
22 siders appropriate.

23 (c) REPORT TO CONGRESS.—Not later than 1 year
24 after the conclusion of the pilot program established under
25 subsection (a), the Consumer Product Safety Commission

1 shall submit to the Committee on Energy and Commerce
2 of the House of Representatives and the Committee on
3 Commerce, Science, and Transportation of the Senate,
4 and make publicly available on the website of the Commis-
5 sion, a report on the findings and data derived from such
6 program, including the extent to which the use of artificial
7 intelligence improved the ability of the Commission to ad-
8 vance the consumer product safety mission of the Commis-
9 sion.

10 **TITLE II—BLOCKCHAIN**
11 **TECHNOLOGY INNOVATION**

12 **SEC. 201. SHORT TITLE.**

13 This title may be cited as the “Blockchain Innovation
14 Act”.

15 **SEC. 202. STUDY ON BLOCKCHAIN TECHNOLOGY AND ITS**
16 **USE IN CONSUMER PROTECTION.**

17 (a) IN GENERAL.—

18 (1) STUDY REQUIRED.—Not later than 1 year
19 after the date of the enactment of this Act, the Sec-
20 retary of Commerce, in consultation with the Fed-
21 eral Trade Commission and any other Federal agen-
22 cy the Secretary determines appropriate, shall com-
23 plete a study on the possible uses of blockchain tech-
24 nology for consumer protection purposes, including

1 preventing or mitigating fraud and other unfair or
2 deceptive acts or practices.

3 (2) REQUIREMENTS FOR STUDY.—In con-
4 ducting the study required by paragraph (1), the
5 Secretary shall examine—

6 (A) existing and emerging uses of
7 blockchain technology that could help protect
8 consumers, including by preventing or miti-
9 gating fraud and other unfair or deceptive acts
10 or practices within the meaning of section 5 of
11 the Federal Trade Commission Act (15 U.S.C.
12 45);

13 (B) trends in the commercial use of and
14 investment in blockchain technology to prevent
15 or mitigate fraud and other unfair or deceptive
16 acts or practices as described in subparagraph
17 (A);

18 (C) best practices in facilitating public-pri-
19 vate partnerships in blockchain technology to
20 prevent or mitigate fraud and other unfair or
21 deceptive acts or practices as described in sub-
22 paragraph (A);

23 (D) potential benefits and risks related to
24 the use of blockchain technology to prevent or
25 mitigate fraud and other unfair or deceptive

1 acts or practices as described in subparagraph
2 (A);

3 (E) possible modifications to Federal regu-
4 lations that could encourage the use of
5 blockchain technology to prevent or mitigate
6 fraud and other unfair or deceptive acts or
7 practices as described in subparagraph (A); and

8 (F) any other relevant observations or rec-
9 ommendations related to the use of blockchain
10 technology for consumer protection purposes,
11 including preventing or mitigating fraud and
12 other unfair or deceptive acts or practices as
13 described in subparagraph (A).

14 (3) PUBLIC COMMENT.—In conducting the
15 study required by paragraph (1), the Secretary shall
16 provide opportunity for public comment and advice
17 relevant to conducting the study.

18 (b) REPORT TO CONGRESS.—Not later than 6
19 months after the completion of the study required by sub-
20 section (a)(1), the Secretary shall submit to the Com-
21 mittee on Energy and Commerce of the House of Rep-
22 resentatives and the Committee on Commerce, Science,
23 and Transportation of the Senate, and make publicly
24 available on the website of the Department of Commerce,
25 a report that contains the results of such study.

1 **TITLE III—TOKEN TAXONOMY**

2 **SEC. 301. SHORT TITLE.**

3 This title may be cited as the “Digital Taxonomy
4 Act”.

5 **SEC. 302. FINDINGS.**

6 Congress finds that—

7 (1) it is important that the United States re-
8 mains a leader in innovation;

9 (2) tokens and blockchain technology are driv-
10 ing innovation and providing consumers with in-
11 creased choice and convenience;

12 (3) the use of tokens and blockchain technology
13 is likely to increase in the future;

14 (4) the Federal Trade Commission is respon-
15 sible for protecting consumers from unfair or decep-
16 tive acts or practices, including relating to tokens;

17 (5) the Commission has previously taken action
18 against unscrupulous companies and individuals that
19 committed unfair or deceptive acts or practices in-
20 volving tokens; and

21 (6) to bolster the Commission’s ability to en-
22 force against unfair or deceptive acts or practices in-
23 volving tokens, the Commission should ensure staff
24 have appropriate training and resources to identify
25 and pursue such cases.

1 **SEC. 303. REPORT ON UNFAIR OR DECEPTIVE ACTS OR**
2 **PRACTICES IN TRANSACTIONS RELATING TO**
3 **TOKENS.**

4 Not later than 1 year after the date of the enactment
5 of this Act, the Federal Trade Commission shall submit
6 to the Committee on Energy and Commerce of the House
7 of Representatives and the Committee on Commerce,
8 Science, and Transportation of the Senate, and make pub-
9 licly available on the website of the Commission, a report
10 on—

11 (1) any actions taken by the Commission relat-
12 ing to unfair or deceptive acts or practices in trans-
13 actions relating to tokens;

14 (2) any other efforts of the Commission to pre-
15 vent unfair or deceptive acts or practices relating to
16 tokens; and

17 (3) any recommendations by the Commission
18 for legislation that would improve the ability of the
19 Commission and other relevant Federal agencies to
20 further protect consumers from unfair or deceptive
21 acts or practices in the token marketplace.