

Union Calendar No. 414

118TH CONGRESS
2^D SESSION

H. R. 4814

[Report No. 118-498]

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 digital tokens, respectively.

IN THE HOUSE OF REPRESENTATIVES

JULY 20, 2023

Mr. SOTO (for himself, Mr. BURGESS, Mrs. TRAHAN, and Mr. GUTHRIE) introduced the following bill; which was referred to the Committee on Energy and Commerce

MAY 10, 2024

Additional sponsor: Ms. CASTOR of Florida

MAY 10, 2024

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on July 20, 2023]

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 digital tokens, respectively.

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

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

4 (a) *SHORT TITLE.*—*This Act may be cited as the*
 5 *“Consumer Safety Technology Act”.*

6 (b) *TABLE OF CONTENTS.*—*The table of contents for*
 7 *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 relating
 to tokens.*

8 **SEC. 2. DEFINITIONS.**

9 *In this Act—*

10 (1) *the term “consumer product” has the mean-*
 11 *ing given such term in section 3(a) of the Consumer*
 12 *Product Safety Act (15 U.S.C. 2052(a));*

13 (2) *the term “Secretary” means the Secretary of*
 14 *Commerce; and*

1 (3) the term “token” means a transferrable, dig-
2 ital representation of information recorded on a
3 blockchain or other distributed ledger technology.

4 **TITLE I—ARTIFICIAL INTEL-**
5 **LIGENCE AND CONSUMER**
6 **PRODUCT SAFETY**

7 **SEC. 101. SHORT TITLE.**

8 This title may be cited as the “AI for Consumer Prod-
9 uct Safety Act”.

10 **SEC. 102. PILOT PROGRAM FOR USE OF ARTIFICIAL INTEL-**
11 **LIGENCE BY CONSUMER PRODUCT SAFETY**
12 **COMMISSION.**

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

20 (b) *REQUIREMENTS.*—In conducting the pilot program
21 established under subsection (a), the Commission shall do
22 the following:

23 (1) Use artificial intelligence for at least 1 of the
24 following purposes:

1 (A) *Tracking trends with respect to injuries*
2 *involving consumer products.*

3 (B) *Identifying consumer product hazards.*

4 (C) *Monitoring the retail marketplace (in-*
5 *cluding internet websites) for the sale of recalled*
6 *consumer products (including both new and used*
7 *products).*

8 (D) *Identifying consumer products required*
9 *by section 17(a) of the Consumer Product Safety*
10 *Act (15 U.S.C. 2066(a)) to be refused admission*
11 *into the customs territory of the United States.*

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

15 (A) *Technologists, data scientists, and ex-*
16 *perts in artificial intelligence and machine*
17 *learning.*

18 (B) *Cybersecurity experts.*

19 (C) *Members of the retail industry.*

20 (D) *Consumer product manufacturers.*

21 (E) *Consumer product safety organizations.*

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

24 (c) *REPORT TO CONGRESS.—Not later than 1 year*
25 *after the conclusion of the pilot program established under*

1 subsection (a), the Consumer Product Safety Commission
2 shall submit to the Committee on Energy and Commerce
3 of the House of Representatives and the Committee on Com-
4 merce, Science, and Transportation of the Senate, and make
5 publicly available on the website of the Commission, a re-
6 port on the findings and data derived from such program,
7 including the extent to which the use of artificial intel-
8 ligence improved the ability of the Commission to advance
9 the consumer product safety mission of the Commission.

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 Federal*
21 *Trade Commission and any other Federal agency the*
22 *Secretary determines appropriate, shall complete a*
23 *study on the possible uses of blockchain technology for*
24 *consumer protection purposes, including preventing*

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

3 (2) *REQUIREMENTS FOR STUDY.*—*In conducting*
4 *the study required by paragraph (1), the Secretary*
5 *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 in-*
14 *vestment in blockchain technology to prevent or*
15 *mitigate fraud and other unfair or deceptive acts*
16 *or practices as described in subparagraph (A);*

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

22 (D) *potential benefits and risks related to*
23 *the use of blockchain technology to prevent or*
24 *mitigate fraud and other unfair or deceptive acts*
25 *or practices as described in subparagraph (A);*

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

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

12 (3) *PUBLIC COMMENT.*—In conducting the study
13 required by paragraph (1), the Secretary shall pro-
14 vide opportunity for public comment and advice rel-
15 evant to conducting the study.

16 (b) *REPORT TO CONGRESS.*—Not later than 6 months
17 after the completion of the study required by subsection
18 (a)(1), the Secretary shall submit to the Committee on En-
19 ergy and Commerce of the House of Representatives and
20 the Committee on Commerce, Science, and Transportation
21 of the Senate, and make publicly available on the website
22 of the Department of Commerce, a report that contains the
23 results of such study.

1 **TITLE III—TOKEN TAXONOMY**

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

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

4 **SEC. 302. FINDINGS.**

5 *Congress finds that—*

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

8 (2) *tokens and blockchain technology are driving*
9 *innovation and providing consumers with increased*
10 *choice and convenience;*

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

13 (4) *the Federal Trade Commission is responsible*
14 *for protecting consumers from unfair or deceptive acts*
15 *or practices, including relating to tokens;*

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

20 (6) *to bolster the Commission’s ability to enforce*
21 *against unfair or deceptive acts or practices involving*
22 *tokens, the Commission should ensure staff have ap-*
23 *propriate training and resources to identify and pur-*
24 *sue 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 to*
6 *the Committee on Energy and Commerce of the House of*
7 *Representatives and the Committee on Commerce, Science,*
8 *and Transportation of the Senate, and make publicly avail-*
9 *able on the website of the Commission, a report on—*

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

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

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

Amend the title so as to read: “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.”.

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