

AI Tidbits Watch; Regulatory Tracking

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Currently, there is no comprehensive federal legislation or regulations in the US that govern the development of AI or restrict its use. There are state and local laws that will be highlighted here going forward.

On May 17, 2024 Colorado Governor Polis signed into law Senate Bill 24-205 "Concerning Consumer Protections in Interactions with Artificial Intelligence Systems" (Colorado AI Act). This is the first comprehensive law targeting AI in the US. The Colorado AI Act is focused on high-risk AI systems, defined as AI that makes consequential decisions. Consequential decision in turn is defined as any decision that has a material or similar effect across a wide range of domains, including education and employment opportunities, financial and lending services, essential government services, health care services, housing, insurance and legal services. Developers and deployers of high-risk AI systems will have until February 1, 2026 to develop processes to comply with the law's requirements. both developers and deployers have a duty to use reasonable care to protect consumers from any known or reasonably foreseeable risks of algorithmic discrimination stemming from the intended uses of the AI system. While this duty is key to the law, it's also important to note that developers and deployers are entitled to a presumption that they used reasonable care if they satisfy some key obligations.