

SENATE, No. 4700

STATE OF NEW JERSEY
222nd LEGISLATURE

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Sponsored by:
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District 32 (Hudson)

SYNOPSIS

“AI Image Disclosure Act”; concerns disclosure of certain AI-generated content.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning generative artificial intelligence and
2 supplementing Title 56 of the Revised Statutes.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. This act shall be known and may be cited as the “AI Image
8 Disclosure Act.”

9
10 2. As used in P.L. , c. (C.) (pending before the
11 Legislature as this bill):

12 “Artificial intelligence-generated content” or “AI-generated
13 content” means an image, a video, or audio content, or any
14 combination thereof, that is created or altered using a generative
15 artificial intelligence system.

16 “Covered provider” means a sole proprietorship, a limited
17 liability company, a corporation, an association, or any other legal
18 entity that creates, codes, or otherwise produces a GenAI system
19 that is publicly accessible within the geographic boundaries of this
20 State and excludes any product, service, Internet website, or
21 application that provides exclusively non-user-generated video
22 game, television, streaming, movie, or interactive experiences.

23 “Covered social media company” means a person or entity that
24 provides or operates a social media platform with at least five
25 million account holders worldwide.

26 “Generative artificial intelligence system” or “GenAI system”
27 means a technology system that is trained on data and can generate
28 derived synthetic content, including text, images, video, and audio,
29 that emulates the structure and characteristics of the system’s
30 training data.

31 “Licensee” means a sole proprietorship, a limited liability
32 company, a corporation, an association, or any other legal entity
33 that licenses a GenAI system from a covered provider.

34 “Metadata” means structured reference data that helps to sort and
35 identify attributes of the information it describes.

36 “Personal data” has the same meaning as defined in section 1 of
37 P.L.2023, c.266 (C.56:8-166.4).

38 “Provenance data” means data that provides a historical record of
39 content that details the content’s origins by capturing the content’s
40 metadata.

41 “Social media platform” means a public or semi-public Internet-
42 based service or application that has account holders in this State,
43 which service or application: allows account holders to construct a
44 public or semi-public profile for the purposes of using the platform,
45 populate a list of other account holders with whom the account
46 holder shares a social connection through the platform, and post
47 content viewable by other account holders or users of the platform;
48 and is designed to connect account holders within the platform to

1 facilitate social interactions, except that a service or application that
2 provides e-mail or direct messaging services shall not be considered
3 to meet this criterion solely based on the existence of that
4 functionality. “Social media platform” shall not include a service
5 or application that consists primarily of news, sports, entertainment,
6 e-commerce, or other content that is not user-generated but is
7 preselected by the provider and for which any chat, comments, or
8 interactive functionality is incidental to, directly related to, or
9 dependent on the provision of the content, or “news media” as
10 defined in section 2 of P.L.1977, c.253 (C.2A:84A-21a).

11
12 3. a. A covered provider shall include a manifest disclosure in
13 any AI-generated content. A manifest disclosure required pursuant
14 to this subsection shall:

15 (1) identify the content as AI-generated content;

16 (2) be clear, conspicuous, appropriate for the medium of the
17 content, and understandable to a reasonable person; and

18 (3) be permanent or extraordinarily difficult to remove, to the
19 extent technically feasible.

20 b. A covered provider shall include a latent disclosure in any
21 AI-generated content. A latent disclosure required pursuant to this
22 subsection shall:

23 (1) not be visible or audible;

24 (2) convey, either directly or through a link to a permanent
25 Internet website:

26 (a) the name of the covered provider;

27 (b) the name and version of the GenAI system that created or
28 altered the content; and

29 (c) the time and date of the content’s creation or alteration;

30 (3) be permanent or extraordinarily difficult to remove, to the
31 extent technically feasible;

32 (4) be compliant or interoperable with widely accepted industry
33 standards; and

34 (5) be easily accessible. A covered provider shall ensure that a
35 latent disclosure is easily accessible by publishing on the covered
36 provider’s Internet website instructions on how to access the
37 disclosure, and, if necessary, by publishing a free Internet website
38 or application that can extract and display the disclosure from the
39 content.

40 c. (1) A covered provider’s licensing agreement with a
41 licensee shall require the licensee to maintain the GenAI system’s
42 capability to include a latent disclosure as required by subsection b.
43 of this section.

44 (2) A licensee shall not remove or prevent the GenAI system
45 from including a latent disclosure as required by subsection b. of
46 this section.

47 (3) If the covered provider has actual knowledge that a licensee
48 has violated paragraph (2) of this subsection, the covered provider

1 shall revoke the licensing agreement with the licensee within 96
2 hours of obtaining actual knowledge. The licensee shall
3 immediately cease using a licensed GenAI system upon revocation
4 of the licensing agreement.

5 d. A covered provider shall provide users of the covered
6 provider's GenAI system the option to include in the latent
7 disclosure personal data about the user, only if the user expressly
8 consents after being presented with a clear and conspicuous notice
9 that informs the user that the personal information:

10 (1) will be easily accessible to anyone who views the content
11 containing the latent disclosure;

12 (2) will become part of the content's permanent digital
13 footprint; and

14 (3) cannot be retracted from content already in circulation.

15 e. (1) A covered provider that violates the provisions of this
16 section shall be liable for a civil penalty in the amount of \$5,000 for
17 each violation, which penalty shall be collected by the Attorney
18 General in a summary proceeding before a court of competent
19 jurisdiction pursuant to the provisions of the "Penalty Enforcement
20 Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).

21 (2) The Attorney General may bring a civil action for injunctive
22 relief against a licensee who violates the provisions of this section
23 or any rules, regulations, or orders promulgated thereunder.

24 (3) Each day that a covered provider or licensee is in violation
25 of the provisions of this section shall be deemed a separate
26 violation.

27 (4) A prevailing plaintiff in an action brought pursuant to this
28 subsection shall be entitled to all reasonable attorney's costs and
29 fees.

30
31 4. a. It shall be unlawful to make available in this State a
32 system, application, tool, or service that is designed for the primary
33 purpose of:

34 (1) removing or editing latent disclosures applied pursuant to
35 section 3 of P.L. , c. (C.) (pending before the Legislature
36 as this bill); or

37 (2) adding a latent disclosure to content that was not created or
38 altered using a GenAI system.

39 b. An individual or entity that violates subsection a. of this
40 section shall be liable for a civil penalty in the amount of \$5,000 for
41 each violation, which penalty shall be collected by the Attorney
42 General in a summary proceeding before a court of competent
43 jurisdiction pursuant to the provisions of the "Penalty Enforcement
44 Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).

45
46 5. a. A covered social media company shall use a label to
47 disclose any machine-readable provenance data detected in content
48 distributed on the covered social media company's social media

1 platform that indicates whether the content was created or altered
2 using a general artificial intelligence system.

3 b. A covered social media company shall not:

4 (1) delete or otherwise remove any provenance data or digital
5 signature from content uploaded or distributed on the covered social
6 media company's social media platform; or

7 (2) retain any personal data acquired through provenance data
8 from content shared on the covered social media company's social
9 media platform.

10 c. A covered social media company that violates subsection a.
11 of this section shall be liable for a civil penalty in the amount of
12 \$5,000 for each violation, which penalty shall be collected by the
13 Attorney General in a summary proceeding before a court of
14 competent jurisdiction pursuant to the provisions of the "Penalty
15 Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).
16

17 6. The Attorney General may adopt, pursuant to the
18 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
19 seq.), rules and regulations as may be necessary to implement the
20 provisions of P.L. , c. (C.) (pending before the Legislature
21 as this bill).
22

23 7. This act shall take effect on February 1 of the calendar year
24 next following the date of enactment. Section 3 of this act shall
25 apply to licensing agreements entered into on or after the effective
26 date of this act.
27
28

29 STATEMENT

30
31 This bill, designated the "AI Image Disclosure Act," requires a
32 covered provider to include a manifest disclosure and a latent
33 disclosure in any image, video, or audio content, or in any
34 combination thereof, created or altered by the covered provider's
35 generative artificial intelligence system (GenAI system).

36 Under the bill, a manifest disclosure is required to: (1) identify
37 the content as AI-generated content; (2) be clear, conspicuous,
38 appropriate for the medium of the content, and understandable to a
39 reasonable person; and (3) be permanent or extraordinarily difficult
40 to remove, to the extent technically feasible. A latent disclosure is
41 required to: (1) not be visible or audible; (2) convey the name of
42 the covered provider, name and version of the GenAI system that
43 created or altered the content, the time and date of the content's
44 creation or alteration; (3) be permanent or extraordinarily difficult
45 to remove, to the extent technically feasible; (4) be compliant or
46 interoperable with widely accepted industry standards; and (5) be
47 easily accessible.

1 The bill also requires covered providers that license a GenAI
2 system to a third party (licensee) to: (1) require the licensee, by
3 licensing agreement, to maintain the GenAI system's capability to
4 include a latent disclosure; and (2) prohibit the licensee from
5 preventing a licensed GenAI system from including a latent
6 disclosure. Under the bill, a covered provider is required to revoke
7 the licensing agreement with the licensee within 96 hours of
8 obtaining actual knowledge that the licensee prevented the GenAI
9 system from including a latent disclosure. The bill requires the
10 licensee to immediately cease using a licensed GenAI system upon
11 revocation of the licensing agreement. Additionally, the bill
12 requires a covered provider to give users the option to include
13 personal data about the user, but only if the user expressly consents
14 after being presented with a clear and conspicuous notice that
15 informs the user that the personal information will be easily
16 accessible to any viewer and the information will become part of
17 the file's permanent digital footprint and cannot be retracted from
18 copies already in circulation.

19 The bill also requires a covered social media company, as that
20 term is defined in the bill, to use a label to disclose any machine-
21 readable provenance data, as that term is defined in the bill,
22 detected in content distributed on the covered social media
23 company's social media platform that identifies the content as AI-
24 generated. Under the bill, a covered social media company is
25 prohibited from deleting or otherwise removing any provenance
26 data or digital signature from content uploaded or distributed on the
27 covered social media company's social media platform or retaining
28 any personal data acquired through provenance data from content
29 shared on the covered social media company's social media
30 platform.

31 The bill also prohibits making available in this State a system,
32 application, tool, or service that is designed for the primary purpose
33 of removing or editing latent disclosures or adding a latent
34 disclosure to content that was not created or altered using a GenAI
35 system. The bill also provides certain penalties for entities that
36 violate certain provisions of the bill.