

Union Calendar No. 445

116TH CONGRESS
2D SESSION

H. R. 8128

[Report No. 116–545]

To direct the Consumer Product Safety Commission to establish a pilot program to explore the use of artificial intelligence in support of the consumer product safety mission of the Commission.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 28, 2020

Mr. MCNERNEY (for himself and Mr. BURGESS) introduced the following bill;
which was referred to the Committee on Energy and Commerce

SEPTEMBER 29, 2020

Additional sponsors: Mr. SOTO, Mr. GUTHRIE, and Mr. DAVIDSON of Ohio

SEPTEMBER 29, 2020

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 *italie*]

[For text of introduced bill, see copy of bill as introduced on August 28, 2020]

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 consumer product safety mission of the Commission.

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—DIGITAL TOKEN TAXONOMY

Sec. 301. Short title.

Sec. 302. Findings.

*Sec. 303. Reports on unfair or deceptive acts or practices in transactions relating
to digital 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)); and*

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

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 Prod-*
 6 *uct 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 the*
 11 *date of enactment of this Act, the Consumer Product Safety*
 12 *Commission shall establish a pilot program to explore the*
 13 *use of artificial intelligence by the Commission in support*
 14 *of the consumer product safety mission of the Commission.*

15 *(b) REQUIREMENTS.—In conducting the pilot program*
 16 *established under subsection (a), the Commission shall do*
 17 *the following:*

18 *(1) Use artificial intelligence for at least 1 of the*
 19 *following purposes:*

20 *(A) Tracking trends with respect to injuries*
 21 *involving consumer products.*

22 *(B) Identifying consumer product hazards.*

23 *(C) Monitoring the retail marketplace (in-*
 24 *cluding internet websites) for the sale of recalled*

1 consumer products (including both new and used
2 products).

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

7 (2) *Consult with the following:*

8 (A) *Technologists, data scientists, and ex-*
9 *perts in artificial intelligence and machine*
10 *learning.*

11 (B) *Cybersecurity experts.*

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

13 (D) *Consumer product manufacturers.*

14 (E) *Consumer product safety organizations.*

15 (F) *Any other person the Commission con-*
16 *siders appropriate.*

17 (c) *REPORT TO CONGRESS.*—*Not later than 180 days*
18 *after the conclusion of the pilot program established under*
19 *subsection (a), the Consumer Product Safety Commission*
20 *shall submit to the Committee on Energy and Commerce*
21 *of the House of Representatives and the Committee on Com-*
22 *merce, Science, and Transportation of the Senate, and make*
23 *publicly available on the website of the Commission, a re-*
24 *port on the findings and data derived from such program,*
25 *including whether and the extent to which the use of artifi-*

1 cial intelligence improved the ability of the Commission to
 2 advance the consumer product safety mission of the Com-
 3 mission.

4 ***TITLE II—BLOCKCHAIN*** 5 ***TECHNOLOGY INNOVATION***

6 ***SEC. 201. SHORT TITLE.***

7 *This title may be cited as the “Blockchain Innovation*
 8 *Act”.*

9 ***SEC. 202. STUDY ON BLOCKCHAIN TECHNOLOGY AND ITS*** 10 ***USE IN CONSUMER PROTECTION.***

11 *(a) IN GENERAL.—*

12 *(1) STUDY REQUIRED.—Not later than one year*
 13 *after the date of enactment of this Act, the Secretary*
 14 *of Commerce, in consultation with the Federal Trade*
 15 *Commission, and in consultation with the any other*
 16 *appropriate Federal agency the Secretary determines*
 17 *appropriate, shall conduct a study on current and po-*
 18 *tential use of blockchain technology in commerce and*
 19 *the potential benefits of blockchain technology for lim-*
 20 *iting fraud and other unfair and deceptive acts and*
 21 *practices.*

22 *(2) REQUIREMENTS FOR STUDY.—In conducting*
 23 *the study, the Secretary shall examine—*

24 *(A) trends in the commercial use of and in-*
 25 *vestment in blockchain technology;*

1 (B) best practices in facilitating public-pri-
2 vate partnerships in blockchain technology;

3 (C) potential benefits and risks of
4 blockchain technology for consumer protection;

5 (D) how blockchain technology can be used
6 by industry and consumers to reduce fraud and
7 increase the security of commercial transactions;

8 (E) areas in Federal regulation of
9 blockchain technology that greater clarity would
10 encourage domestic innovation: and

11 (F) any other relevant observations or rec-
12 ommendations related to blockchain technology
13 and consumer protection.

14 (3) *PUBLIC COMMENT.*—In producing the study
15 required in subsection (a)(2), the Secretary shall pro-
16 vide opportunity for public comment and advice rel-
17 evant to the production of the study.

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

***TITLE III—DIGITAL TOKEN
TAXONOMY***

SEC. 301. SHORT TITLE.

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

SEC. 302. FINDINGS.

Congress finds that—

(1) it is important that the United States remains a leader in innovation;

(2) digital tokens and blockchain technology are driving innovation and providing consumers with increased choice and convenience;

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

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

(5) the Commission has previously taken action against unscrupulous companies and individuals that committed unfair or deceptive acts or practices involving digital tokens; and

(6) to bolster the Commission’s ability to enforce against unfair or deceptive acts or practices involving digital tokens, the Commission should ensure staff have appropriate training and resources to identify and pursue such cases.

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

4 *Not later than one year after the date of enactment*
 5 *of this Act and each year thereafter until fiscal year 2024,*
 6 *the Federal Trade Commission shall transmit to the Com-*
 7 *mittee on Energy and Commerce of the House of Represent-*
 8 *atives and the Committee on Commerce, Science, and*
 9 *Transportation of the Senate, and make publicly available*
 10 *on its website, a report of—*

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

14 *(2) the Commission’s other efforts to prevent un-*
 15 *fair or deceptive acts or practices relating to digital*
 16 *tokens; and*

17 *(3) any recommendations by the Commission for*
 18 *legislation that would improve the ability of the Com-*
 19 *mission and other relevant Federal agencies—*

20 *(A) to further protect consumers from un-*
 21 *fair or deceptive acts or practices in the digital*
 22 *token marketplace; and*

23 *(B) to promote competition and promote in-*
 24 *novation in the global digital token sector.*

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 direct the Secretary of Commerce and the Federal Trade Commission to study and report on the use of blockchain technology and digital tokens, respectively.”.

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