September 4, 2026

The Honorable Gavin Newsom
Governor, State of California
State Capitol, Suite 1173
Sacramento, CA 95814

RE: AB 1609 (Zbur) – Customer Service Chatbots — REQUEST FOR VETO

Dear Governor Newsom:

The California Chamber of Commerce and undersigned organizations respectfully request a veto of **AB 1609 (Zbur)**. While we understand the desire to ensure customers can still reach human customer service agents in short order, we do not believe that California should legislate against the technologies that can make customer service — including telephone customer service — more accessible and responsive to diverse consumer needs. Rather than mandate human initiation of every customer service interaction under arbitrarily rigid timeframes, we believe it critical that the law should preserve human escalation when needed and otherwise preserve the flexibility businesses need to use the tools and service channels that best meet the varying needs and challenges they face in any number of scenarios.

To these ends, throughout this bill's consideration in the Legislature, we consistently asked for a series of amendments critical to allowing business to operationalize this bill. Unfortunately, several key changes that were necessary to avoid the greatest of the unintended consequences of this bill were ultimately rejected without any reason offered. As a result, **AB 1609** reaches your desk with significant, unresolved defects:

- **ONE-SIZE-FITS-ALL TIMING MANDATES COULD REDUCE SERVICE QUALITY AND INCREASE EMPLOYEE STRESS**

  Customer service operations frequently require prioritization of urgent or high-risk matters over routine inquiries. Wait times are affected by call volume, emergency events, fraud-prevention measures, staffing needs, and the complexity of individual inquiries. Rigid time requirements can pressure agents to prioritize speed over care, increase employee stress and errors, and reduce a business's ability to triage contacts based on urgency, fraud concerns, or other operational factors.

Mandating human interaction overlooks consumers' varying needs and preferences, as well as the rapidly evolving capabilities of emerging technologies to meet those needs, such as voice-AI systems that can provide real-time multilingual communication, potentially allowing consumers to receive immediate assistance in their preferred language while preserving the ability to escalate more complex matters to a human representative. Telephonic customer service is not inherently preferable to digital channels in any of these instances. Considering the significant operational costs, California should preserve flexibility as opposed to a singular service model.

- **AB 1609 WILL IMPOSE NEW COSTS THAT MAY ULTIMATELY REACH CONSUMERS**

  To meet rigid timing requirements, **AB 1609's** new compliance and operational costs could force California businesses to reconfigure how customer service operations are staffed, managed, and monitored. These costs may ultimately be borne by consumers through higher prices or reduced service options. At a time when affordability remains a significant concern for Californians, it should be carefully considered whether these ongoing costs are justified, particularly where businesses already have significant competitive and reputational incentives to provide responsive customer service.

- **CONTINUING NEED FOR AMENDMENTS IN OVERLY BROAD BILL**

  The bill's scope is expansive, reaching any business with more than $500M in gross revenue nationally that "offers goods or services to consumers" regardless of whether they customer service chatbots, or not. Most problematic is that, as drafted, businesses will not know if an interaction with a consumer is subject to the bill and the time restrictions. We offered solutions for these and other definitional and operational issues, narrowing its scope to existing customers and situations requiring human escalation, and prioritizing fraud prevention over arbitrary time limits. We also asked that penalties be reduced to reasonable fines and target systemic, repeated, or willful noncompliance, not isolated or inadvertent errors; and the bill recognize "commercially reasonable and practicable standards", striking the subjective standard that they be "designed and intended to achieve compliance." All of these reasonable requests were rejected without any explanation despite our good faith efforts to make this policy something that businesses could reasonably operationalize.

Conclusion

AB 1609 is a well-intentioned effort to ensure consumers have access to responsive customer service, but its rigid mandates, broad scope, significant compliance costs, and unresolved operational ambiguities will create substantial challenges for businesses and, ultimately, the consumers they serve. The Legislature had multiple opportunities to address these concerns through reasonable amendments, but those changes were rejected, leaving the bill with significant defects that businesses will be expected to navigate and enforce.

California should not lock consumers and businesses into a one-size-fits-all customer service model at a time when technology is rapidly creating new and potentially more accessible ways to provide assistance. Consumers benefit when businesses have the flexibility to use the tools and service channels that best meet their needs, while retaining meaningful opportunities for human escalation when technology cannot resolve an issue.

For these reasons, and because the bill reaches your desk with significant unresolved policy, operational, and compliance concerns, we respectfully request that you veto **AB 1609**.

Thank you for your consideration.

Sincerely,

Ronak Daylami
Vice President for Advocacy | Privacy, Cybersecurity & Emerging Technologies
California Chamber of Commerce

on behalf of:
American Car Rental Association
American Council of Life Insurers
American Property Casualty Insurance Association
Association of California Life and Health Insurance Companies
CalBroadband
California Association of Collectors, Inc.
California Attractions and Parks Association
California Bankers Association
California Chamber of Commerce
California Manufacturers and Technology Association
California Travel Association
California's Credit Unions
Civil Justice Association of California
Computer and Communications Industry Association
Electronic Transactions Association
Family Business Association of California
National Association of Mutual Insurance Companies
Personal Insurance Federation of California
Silicon Valley Leadership Group
TechNet
Travel Technology Association