

117TH CONGRESS
1ST SESSION

H. R. 3723

IN THE SENATE OF THE UNITED STATES

JUNE 24, 2021

Received; read twice and referred to the Committee on Commerce, Science,
and Transportation

AN ACT

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.

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 relat-
ing to digital tokens.

8 **SEC. 2. DEFINITIONS.**

9 In this Act—

10 (1) the term “consumer product” has the
 11 meaning given such term in section 3(a) of the Con-
 12 sumer Product Safety Act (15 U.S.C. 2052(a)); and

13 (2) the term “Secretary” means the Secretary
 14 of 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
6 Product 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
11 the date of enactment of this Act, the Consumer Product
12 Safety Commission shall establish a pilot program to ex-
13 plore the use of artificial intelligence by the Commission
14 in support of the consumer product safety mission of the
15 Commission.

16 (b) REQUIREMENTS.—In conducting the pilot pro-
17 gram established under subsection (a), the Commission
18 shall do the following:

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

21 (A) Tracking trends with respect to inju-
22 ries involving consumer products.

23 (B) Identifying consumer product hazards.

24 (C) Monitoring the retail marketplace (in-
25 cluding internet websites) for the sale of re-

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

3 (D) Identifying consumer products re-
4 quired by section 17(a) of the Consumer Prod-
5 uct Safety Act (15 U.S.C. 2066(a)) to be re-
6 fused admission into the customs territory of
7 the United States.

8 (2) Consult with the following:

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

12 (B) Cybersecurity experts.

13 (C) Members of the retail industry.

14 (D) Consumer product manufacturers.

15 (E) Consumer product safety organiza-
16 tions.

17 (F) Any other person the Commission con-
18 siders appropriate.

19 (c) REPORT TO CONGRESS.—Not later than 180 days
20 after the conclusion of the pilot program established under
21 subsection (a), the Consumer Product Safety Commission
22 shall submit to the Committee on Energy and Commerce
23 of the House of Representatives and the Committee on
24 Commerce, Science, and Transportation of the Senate,
25 and make publicly available on the website of the Commis-

1 sion, a report on the findings and data derived from such
 2 program, including whether and the extent to which the
 3 use of artificial intelligence improved the ability of the
 4 Commission to advance the consumer product safety mis-
 5 sion of the Commission.

6 **TITLE II—BLOCKCHAIN** 7 **TECHNOLOGY INNOVATION**

8 **SEC. 201. SHORT TITLE.**

9 This title may be cited as the “Blockchain Innovation
 10 Act”.

11 **SEC. 202. STUDY ON BLOCKCHAIN TECHNOLOGY AND ITS** 12 **USE IN CONSUMER PROTECTION.**

13 (a) IN GENERAL.—

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

24 (2) REQUIREMENTS FOR STUDY.—In con-
 25 ducting the study, the Secretary shall examine—

1 (A) trends in the commercial use of and
2 investment in blockchain technology;

3 (B) best practices in facilitating public-pri-
4 vate partnerships in blockchain technology;

5 (C) potential benefits and risks of
6 blockchain technology for consumer protection;

7 (D) how blockchain technology can be used
8 by industry and consumers to reduce fraud and
9 increase the security of commercial trans-
10 actions;

11 (E) areas in Federal regulation of
12 blockchain technology that greater clarity would
13 encourage domestic innovation; and

14 (F) any other relevant observations or rec-
15 ommendations related to blockchain technology
16 and consumer protection.

17 (3) PUBLIC COMMENT.—In producing the study
18 required in subsection (a)(2), the Secretary shall
19 provide opportunity for public comment and advice
20 relevant to the production of the study.

21 (b) REPORT TO CONGRESS.—Not later than 6
22 months after the completion of the study required pursu-
23 ant to subsection (a), the Secretary shall submit to the
24 Committee on Energy and Commerce of the House of
25 Representatives and the Committee on Commerce,

1 Science, and Transportation of the Senate, and make pub-
2 licly available on the website of the Department of Com-
3 merce, a report that contains the results of the study con-
4 ducted under subsection (a).

5 **TITLE III—DIGITAL TOKEN** 6 **TAXONOMY**

7 **SEC. 301. SHORT TITLE.**

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

10 **SEC. 302. FINDINGS.**

11 Congress finds that—

12 (1) it is important that the United States re-
13 mains a leader in innovation;

14 (2) digital tokens and blockchain technology are
15 driving innovation and providing consumers with in-
16 creased choice and convenience;

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

19 (4) the Federal Trade Commission is respon-
20 sible for protecting consumers from unfair or decep-
21 tive acts or practices, including relating to digital to-
22 kens;

23 (5) the Commission has previously taken action
24 against unscrupulous companies and individuals that

1 committed unfair or deceptive acts or practices in-
2 volving digital tokens; and

3 (6) to bolster the Commission’s ability to en-
4 force against unfair or deceptive acts or practices in-
5 volving digital tokens, the Commission should ensure
6 staff have appropriate training and resources to
7 identify and pursue such cases.

8 **SEC. 303. REPORTS ON UNFAIR OR DECEPTIVE ACTS OR**
9 **PRACTICES IN TRANSACTIONS RELATING TO**
10 **DIGITAL TOKENS.**

11 Not later than one year after the date of enactment
12 of this Act and each year thereafter until fiscal year 2024,
13 the Federal Trade Commission shall transmit to the Com-
14 mittee on Energy and Commerce of the House of Rep-
15 resentatives and the Committee on Commerce, Science,
16 and Transportation of the Senate, and make publicly
17 available on its website, a report of—

18 (1) any actions taken by the Commission relat-
19 ing to unfair or deceptive acts or practices in trans-
20 actions relating to digital tokens;

21 (2) the Commission’s other efforts to prevent
22 unfair or deceptive acts or practices relating to dig-
23 ital tokens; and

Attest: **CHERYL L. JOHNSON,**
Clerk.