



OFFICE OF THE ATTORNEY GENERAL  
CONNECTICUT

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February 25, 2026

**MEMORANDUM TO ALL STATE OFFICIALS, AGENCIES, AND CONCERNED PARTIES**

**FROM: THE ATTORNEY GENERAL**

**SUBJECT: THE APPLICATION OF EXISTING LAWS TO ARTIFICIAL INTELLIGENCE TO PROTECT CONNECTICUT RESIDENTS**

The development and use of artificial intelligence (AI) is expanding with breathtaking speed and reach across the world. While these tools present new opportunities, one need look no further than the proliferation of AI generated nonconsensual sexual abuse images on xAI's Grok platform to see that they can also cause significant harm. AI can exacerbate discrimination, bias, and abuse; spread disinformation; and otherwise influence decision-making that leads to poor outcomes. Individuals tend to use AI in search of a quick answer, but businesses use AI for a range of reasons. These include, but are not limited to, tenant screenings for rentals, employment decisions, credit risk and loan decisions, insurance claims, and targeted consumer ads.

It is imperative that consumers understand how AI impacts their lives, and how their data is compiled and used to train these tools. This advisory serves as guidance not only for consumers to understand their rights under Connecticut law, but also businesses to understand how they must responsibly administer these systems.

Businesses and individuals should exercise caution when deploying and utilizing AI systems in commercial decision-making to ensure compliance with state and federal laws.

Connecticut consumers or businesses who believe they have been harmed by the use of AI in violation of law may file a complaint at [www.ct.gov/agcomplaint](http://www.ct.gov/agcomplaint).

This document is divided into four main sections, tracking the primary statutes that are available to the Office of the Attorney General ("Office") in enforcing existing state laws governing AI. This memo is not comprehensive and other state or federal laws may apply depending on the particular

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use or impact of AI. It is important to note that this memorandum also does not address any criminal statutes, and individuals or companies could be subject to those laws.

In addition, nothing in this document constitutes legal advice or a formal legal opinion of the Attorney General. This memorandum is neither binding nor precedential, but rather an overview of potentially relevant legal principles in the context of artificial intelligence. There may be laws, regulations, and policies that govern an organization or entity's actions beyond the considerations in this document and this document does not cover many federal laws that could apply to artificial intelligence. All individuals, businesses, organizations and entities should consult with their legal counsel about specific questions and concerns.

### **Connecticut's Civil Rights Laws**

The Connecticut Office of the Attorney General has broad authority to enforce state and federal antidiscrimination laws and protect the constitutional rights of Connecticut residents under Connecticut General Statutes § 3-129g. And Connecticut has strong antidiscrimination laws that prohibit discrimination in a wide range of scenarios in which AI may be employed, including, but not limited to, in hiring and employment, in the provision of healthcare, in public accommodations, in housing, in insurance, and in lending and credit practices, which are designed to ensure equal opportunity for all.<sup>1</sup> These laws prohibit discrimination on the basis of a range of protected characteristics, including sexual orientation or gender identity or expression as well as race, color, religion, age, pregnancy, sex, marital status, national origin, ancestry, disability, lawful source of income, or veteran status.

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<sup>1</sup> See, e.g., Connecticut General Statutes §§ 8-265c (prohibiting discrimination in certain housing); 10-15c (prohibiting discrimination in schools); 10-153 (prohibiting discrimination in employment of teachers); 17a-541 (non-discrimination provisions based on psychiatric disability or past or present history of mental disability); 17a-549 (same); 31-75 (prohibiting discrimination in wages based on sex); 38a-737 (prohibiting discrimination in certain mortgage and home improvement loans); 38a-446, *et seq.* (prohibiting discrimination towards certain classes of insureds in life insurance); 38a-816 (9)-(10) (prohibiting discrimination in insurance practices); 46a-58(a) (prohibiting deprivation of civil rights based on protected characteristics); 46a-59(a) (prohibiting discrimination in professional and occupational associations); 46a-60 (prohibitions on discrimination, harassment, and retaliation in employment and labor); 46a-64 (prohibiting discrimination in public accommodations); 46a-64c (prohibiting discrimination in housing); 46a-66 (prohibiting discrimination in credit practices); 46a-81a, *et seq.* (prohibitions on discrimination on the basis of sexual orientation in employment, public accommodation, housing, credit practices, state benefits, licensing, and other areas).

Federal law also provides protection against discrimination, and some statutes provide their own independent enforcement mechanisms that empower state attorneys general to prevent discrimination. See 12 U.S.C. § 5481, 5552. For one example, the adverse action notification requirements under the federal Equal Credit and Opportunity Act (ECOA), the primary federal law that prohibits discrimination in credit, applies to AI models. Other federal laws also prohibit discrimination and may apply where AI is utilized, including the Fair Housing Act, Title VII of the Civil Rights Act, Age Discrimination in Employment Act, Section 1557 of the Affordable Care Act, and the Americans with Disabilities Act, among others. Even with recent [recission](#)<sup>2</sup> of federal guidance regarding AI, federal antidiscrimination laws still remain in effect and protect all residents. In some instances, the Attorney General may be able to bring an action to enforce repeated violations of federal laws.

While the technology powering automated decision-making tools may be new, antidiscrimination laws apply to algorithmic discrimination in the same way they have long applied to other discriminatory conduct irrespective of whether discriminatory conduct is facilitated by automated decision-making tools or driven by purely human practices. The Office of the Attorney General is committed to enforcing anti-discrimination laws and ensuring equal access and opportunity for all residents. More information about the Attorney General’s Civil Rights authority is available [here](#). Connecticut residents who believe they have been deprived of their civil rights by use of AI may file a complaint at [AG.CivilRights@ct.gov](mailto:AG.CivilRights@ct.gov).

## **Connecticut’s Privacy and Data Security Laws**

### ***Connecticut Data Privacy Act***

The Connecticut Data Privacy Act, Conn. Gen. Stat. § 42-515, *et seq.* (“CTDPA”)<sup>3</sup>, grants Connecticut residents with certain rights over their personal data, and it imposes responsibilities and privacy protection standards on organizations that process personal data<sup>4</sup> (“processors”) and the

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<sup>2</sup> [Fact Sheet: President Donald J. Trump Takes Action to Enhance America’s AI Leadership – The White House](#)

<sup>3</sup> Additional information about the CTDPA is available at the Office of the Attorney General’s webpage on [The Connecticut Data Privacy Act](#).

<sup>4</sup> Processing refers to any action a business may take with respect to personal data, including collecting, using, storing, selling, sharing, analyzing, or modifying the data.

organizations that decide how that data is used (“controllers”) including businesses that develop, integrate, and use AI systems.

Under the CTDPA, Connecticut residents have the right to:

- Access personal data collected about them;
- Correct inaccuracies in their personal data;
- Delete their personal data (including data collected through third parties);
- Obtain a copy of their personal data; and
- Opt out of certain processing of their personal data (Connecticut General Statutes § 42-518).
  - The consumers’ right to opt out includes the right to opt out of the sale of personal data, the right to opt out of the use of personal data for targeted advertising, and the right to opt out of automated profiling that may have a legal or other significant impact (*Id.*).

Businesses, including AI developers and businesses that use AI, are forbidden from discriminating against consumers for exercising their rights under the CTDPA, meaning they cannot charge different prices, refuse service, or provide a different level of service or product quality to consumers that choose to exercise their data privacy rights (Connecticut General Statutes § 42-520). Further, businesses must ensure that they do not process data that is subject to a consumer’s data deletion request or in a manner that fails to honor an opt-out validly exercised under the CTDPA (Connecticut General Statutes § 42-518).

AI developers and businesses that use AI must follow the responsibilities imposed by the CTDPA on data controllers and processors. While processors and controllers can be the same organization, more common examples of controllers include online retailers, social media platforms, streaming services, or applications, and examples of processors include cloud services where the personal data is stored, payment processing services, data analytics firms, and email marketing platforms. The CTDPA dictates that controllers and processors must limit the collection of personal data to what is adequate, relevant, and reasonably necessary in relation to the purposes for which such data is processed as disclosed to the consumer (Connecticut General Statutes § 42-520(a)(1)). In other words, businesses that use the personal data of Connecticut consumers in their AI models must ensure that this use was clearly and meaningfully disclosed through their privacy notice (Connecticut

General Statutes § 42-520(c)). When an AI developer, integrator<sup>5</sup>, or user buys datasets from third party controllers that contain Connecticut consumers' personal information (*i.e.*, data brokers), this use and sharing must have been disclosed by the party that collected the personal information, otherwise the use of this data by the AI developer, integrator, or user is unlawful (*Id.*). When a privacy notice is changed to indicate that a consumer's data will be subject to new uses with AI, consumers must be notified and given a mechanism to withdraw previously granted consent (Connecticut General Statutes § 42-520).

Businesses have special responsibilities when dealing with sensitive data, including: consumer health data, children's data, biometric data, precise geolocation data, and data revealing sensitive information like religious beliefs, racial or ethnic origin, sexual orientation, and citizen and immigration status (Connecticut General Statutes § 42-515(38)). AI users cannot process sensitive data in these categories unless they obtain the consumer's consent (Connecticut General Statutes § 42-520(4)). Processors of consumer health data must be under a contractual duty of confidentiality and cannot collect or use precise geolocation data near certain healthcare facilities (Connecticut General Statutes § 42-526).

Businesses have increased responsibilities under the CTDPA when they collect or process the data of minors. Controllers that offer products or services to minors must use reasonable care to avoid heightened risk of harm to children (Connecticut General Statutes § 42-529a(a)). Additionally, companies offering products and services to minors (including chatbots, large language models, and other AI services) are forbidden from using any design feature to increase, sustain, or extend a minor's use of the product or service (Connecticut General Statutes § 42-529a(b)(1)(B)).

Pursuant to Public Act 25-113 (effective July 1, 2026), businesses cannot process the data of minors for the purposes of profiling in furtherance of any automated decision related to the approval or denial related to financial services, housing, insurance, education enrollment or opportunity, criminal justice, employment opportunity, health care service, or access to any essential good or service, unless such processing is reasonably necessary to provide such online service, product or feature. (Connecticut General Statutes § 42-529a((3)(A)).

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<sup>5</sup> An integrator combines data from different sources.

Under the CTDPA, data controllers must conduct data protection assessments for processing activities that present a heightened risk of harm to consumers, including any processing of sensitive data (Connecticut General Statutes § 42-522). Other examples of high-risk processing include any sort of profiling that may financially injure, create an unlawful disparate impact, or intrude upon the private affairs of consumers (Connecticut General Statutes § 42-522(a)). AI models that process the personal data of Connecticut consumers in such high-risk scenarios must undergo regular data protection assessments in order to comply with the CTDPA.

In addition to the responsibilities above, AI developers, users, and integrators must implement and maintain reasonable data security and administrative safeguards in order to protect the privacy and integrity of the personal data they use (Connecticut General Statutes § 42-520(a)(3)). AI systems are trained on vast amounts of data, and process it in novel ways – developers, integrators, and users must take reasonable measures to guard against data leaks and errant outputs that expose personal information with the same vigilance expected against outside threat actors.

### ***Connecticut's Safeguards and Breach Notification Laws***

Outside of the CTDPA, AI developers and businesses that use AI are also subject to Connecticut's broader data security and breach notification laws. Under Connecticut's Safeguards Law (Connecticut General Statutes § 42-471), any business or person who possesses the personal information of another must safeguard that data from misuse by third parties. The Safeguards Law also requires that personal information be destroyed, erased, or rendered unreadable prior to disposal (Connecticut General Statutes § 42-471(a)). Thus, under the Safeguards Law, businesses that use AI must ensure that personal data incorporated into their systems is adequately protected from misuse by third parties through inadvertent disclosure or exploits from outside threat actors.

In instances where a data leak results in inadvertent disclosure of information, or a system breach results in the exposure of personal information by an AI system, Connecticut's Breach Notification Law (Connecticut General Statutes § 36a-701b) must be followed. The Breach Notification Law covers any entity that owns, licenses, or maintains personal information, and requires notice of instances where personal information has been subject to unauthorized access or unauthorized acquisition. The definition of personal information under the statute is quite broad. In addition to financial information, health information, and government identification numbers, recent amendments have added account login credentials and biometric information to the categories of

personal information covered by the Breach Notification Law (Connecticut General Statutes § 36a-701b). Businesses using AI should take into consideration these obligations when dealing with the exposure of personal information by an AI system.

## **Connecticut's Consumer Protection Laws**

### ***Connecticut Unfair Trade Practices Act***

The Connecticut Unfair Trade Practices Act (“CUTPA”), Connecticut General Statutes § 42-110b, *et seq.*, is a broad remedial statute that protects Connecticut consumers from unfair and deceptive trade practices as well as unfair methods of competition related to any trade or commerce that takes place in the state. CUTPA provides for a private right of action to any person who suffers a measurable loss of money or property as a result of an unfair or deceptive act prohibited by the statute. It also provides for sovereign enforcement by the State through the Connecticut Department of Consumer Protection (“DCP”) and the Attorney General’s Office. The State has broad authority to investigate potential violations of CUTPA by demanding documents and records, compelling testimony and entering establishments. If the Commissioner of DCP has reason to believe that a person or business has violated CUTPA, DCP may commence administrative actions or refer matters to the Attorney General for judicial enforcement. Penalties for violations of CUTPA can include injunctive relief, civil penalties of up to \$5,000 per violation, restitution and remediation.

Despite its complexity, the AI industry is no different; businesses and individuals who use AI in a manner that violates CUTPA will be held accountable. A business or individual advertising, offering for sale, or selling an AI product or service, or employing AI in the advertising, offering for sale, or sale of other goods or services, may violate CUTPA if the business or individual:

- Uses AI to advertise a product or service in a manner that misrepresents the price, quality, or other characteristics of the product or service. Connecticut Agency Regulations § 42-110b-18.
- Uses AI for predictive pricing to increase the price of retail items or set unconscionable prices during a time of a declared emergency. Connecticut General Statutes § 42-230.

- Uses AI to misrepresent the sponsorship, endorsement, approval, or certification of products or services. Connecticut Agency Regulations § 42-110b-18(c).
- Uses AI to create false consumer reviews for a product or service or uses AI to create audio or video content of a person to deceive an affiliation, connection, or association with any product, service, or business. Connecticut Agency Regulations § 42-110b-18(c)-(d).
- Uses AI for unsolicited Robocalls. *See* Connecticut General Statutes § 16-256e.
- Makes misrepresentations regarding business opportunities by using false, unreliable, or unproven claims relating to the income or productivity to be generated with an AI system.
- Makes misrepresentations about the effectiveness, usefulness, or abilities of an AI product.
- Otherwise offends public policy as established by statutes, the common law, and other concepts of unfairness; is immoral, unethical, oppressive, or unscrupulous; or causes substantial injury to consumers, competitors, or other businesspersons. *Ulbrich v. Growth*, 310 Conn. 375, 409 (2013).

This is not an exhaustive list; it is merely illustrative of conduct that could constitute unfair or deceptive acts and practices in violation of CUTPA.

Additionally, businesses and individuals using or offering for sale AI systems in violation of federal consumer protection statutes, including the Federal Trade Commission (“FTC”) Act, may also be in violation of CUTPA. Under Operation AI Comply, the FTC has already filed lawsuits against several businesses for violations of the FTC Act for using AI or selling AI in deceptive and unfair ways, including several lawsuits for business opportunity schemes involving false claims about the utility of AI systems.<sup>6</sup> Consumers should remain cautious of AI related business schemes that claim or promise a certain amount of income to be generated from its use.

### ***Connecticut Antitrust Act***

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<sup>6</sup> <https://www.ftc.gov/news-events/news/press-releases/2024/09/ftc-announces-crackdown-deceptive-ai-claims-schemes>.

The Connecticut Antitrust Act (“CAA”), Connecticut General Statutes § 35-24, *et seq.*, prohibits contracts, combinations, and conspiracies in restraint of trade, as well as monopolization, attempted monopolization, and price discrimination. The statute is designed to preserve fair competition in Connecticut markets across all industries. The AI industry is no exception; businesses and individuals who use AI in a manner that violates the CAA will be held accountable.

A business or individual advertising, offering for sale, or selling an AI product or service, or employing AI in the advertising, offering for sale, or sale of other goods or services, may violate the CAA if the business or individual:

- Uses AI in coordination with competitors to fix prices, allocate markets, or rig bids for AI products or for other goods and services. Connecticut General Statutes §§ 35-26, 35-28.
- Employs AI-driven algorithms to engage in tacit or explicit collusion that artificially stabilizes or raises prices across competing businesses.
- Uses AI to implement exclusionary practices that restrict competitors’ access to markets or essential data, thereby creating or maintaining monopoly power. Connecticut General Statutes § 35-27.
- Deploys AI tools to identify and punish lower-price competitors through coordinated responses, effectively discouraging competitive pricing. Connecticut General Statutes §§ 35-26, 35-28.
- Uses AI to engage in price discrimination that harms competition by charging different prices to different buyers without justification. Connecticut General Statutes § 35-45.
- Otherwise enters into agreements or engages in conduct that unreasonably restrains trade or has the effect of suppressing competition in Connecticut markets.

This is not an exhaustive list; it is merely illustrative of conduct that could constitute unlawful restraints of trade, monopolization, or price discrimination under the CAA.

Additionally, businesses and individuals using or offering AI systems in violation of federal antitrust laws, including the Sherman Act<sup>7</sup> and Clayton Act<sup>8</sup>, may also be in violation of the CAA. Federal

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<sup>7</sup> [Sherman Anti-Trust Act \(1890\) | National Archives](#)

<sup>8</sup> [Clayton Act](#)

and state enforcers are closely monitoring the use of AI algorithms in pricing, advertising, and market allocation. The Antitrust Division of the U.S. Department of Justice and the Federal Trade Commission have already signaled concerns about the potential for AI to facilitate collusion, price fixing, and other anticompetitive conduct.

This Office is actively participating in investigations and litigation addressing algorithmic collusion, including the [RealPage litigation](#)<sup>9</sup>, in which state and federal enforcers allege that software-driven AI pricing tools were used to coordinate rental housing prices in violation of both the Sherman Act and the CAA. The case underscores how algorithmic or AI-facilitated coordination can violate antitrust laws, and serves as a warning that similar conduct in other sectors—whether involving housing, consumer goods, or other markets—will face strong enforcement.

### **Notable Actions**

Our Office has held various actors in this space accountable for misusing algorithms, and these actions cut across CUTPA, anti-trust, data privacy, and more. Some of these actions taken include litigation against:

- Amazon<sup>10</sup>
- Apple<sup>11</sup>
- Google<sup>12</sup>
- Meta<sup>13</sup>
- Ticketmaster<sup>14</sup>

The Connecticut Office of the Attorney General has led bipartisan coalitions of attorneys general nationwide calling on industry and lawmakers to adopt strong safeguards to protect against AI abuses. Some of these actions can be viewed at the hyperlinks below, and include:

- [Attorney General Tong Demands Action from xAI](#)
- [Letter to AI Software Companies](#)

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<sup>9</sup> [States and Justice Department Sue Six Large Landlords for Algorithmic Pricing Scheme](#)

<sup>10</sup> [Connecticut Joins FTC and States Suing Amazon for Illegally Maintaining Monopoly Power](#)

<sup>11</sup> [Connecticut Joins Justice Department Suing Apple for Monopolizing Smartphone Markets](#)

<sup>12</sup> [Statement Regarding Court Fixes to End Google Search Engine Monopoly and Restore Competition](#)

<sup>13</sup> [Attorney General Tong Sues Meta for Harm to Youth Mental Health](#)

<sup>14</sup> [Attorney General Tong Announces Suit Against Ticketmaster Live Nation](#)

- [Attorney General Tong Pushes Back on Potential State AI Law Ban](#)
- [Attorney General Tong Leads Bipartisan Coalition Urging Meta to Protect Users](#) (references some of these scam ads using AI)
- [Attorney General Tong Issues Bipartisan Warning to Suspected Election Scam AI Robocallers](#)  
[Attorney General Leads Coalition Calling on Federal Agency to Prioritize Transparent Approach to AI](#)

## **Conclusion**

The Office of the Attorney General continues to be at the forefront of holding individuals accountable for violating our laws and harming the residents of Connecticut, including those who use algorithms and evolving technology to do so. While this work continues in earnest it must be noted that AI remains a rapidly changing and ever-evolving field. This document focuses on the past and present, as it must, in highlighting existing legal constructs and their application in the realm of AI. As AI and its uses evolve, it is critically important to protect Connecticut families and children. In addition to creating additional protections for families through legislative action, the Office of the Attorney General has at its disposal the most effective tools available to ensure the safety of Connecticut families and accountability for wrongdoers.