



August 25, 2026

The Honorable Rick Zbur
Assemblymember, State of California
1021 O St, Suite 4250
Sacramento CA 95814

Re: AB 1609 (Zbur) Customer service chatbots. – OPPOSED

Dear Assemblymember Zbur:

The Business Software Alliance appreciates the opportunity to share insights from the enterprise software sector on AB 1609. BSA is the leading advocate for the global software industry.¹ BSA members are at the forefront of developing cutting edge services, and their products are used by businesses of all sizes across every sector of the economy.

While we appreciate the goal of AB 1609 in protecting consumers, BSA is opposed to the bill's applicability to business-to-business services, which we recognize is not the intended focus of this legislation.

We appreciate your continued engagement with stakeholders and the inclusion of an "exclusive business line" exemption to remedy these concerns but believe that the definition does not comprehensively include the customer service that businesses provide to other businesses, as we explain in more detail below. BSA recommends a more holistic approach to ensure that the bill's intent, protecting individual consumers, is carried out.

The Business-to-Business Exemption Is Not Workable in Practice

AB 1609 appropriately recognizes that business-to-business communications are inherently different from consumer-facing customer-service interactions. However, the bill does not exempt business-to-business interactions. Instead, it exempts only "exclusive business lines," defined as telephone lines, chat lines, or other communications channels that are not intended for general customer use and are intended solely for employees or other entities engaging in business-to-business communications.

¹ BSA's members include: Adobe, Alteryx, Amadeus, Asana, Atlassian, Autodesk, Avalara, Bentley Systems, Box, Cisco, Cohere, Cohesity, Dassault Systemes, Databricks, Datadog, Docusign, Dropbox, Elastic, EY, Graphisoft, HubSpot, IBM, Kyndryl, MathWorks, Microsoft, Notion, Okta, OpenAI, Oracle, PagerDuty, Palo Alto Networks, PTC, Rubrik, Salesforce, SAP, ServiceNow, Shopify Inc., Siemens Industry Software Inc., TrendAI, TriNet, Veeam, Workday, Zendesk, and Zoom Communications Inc.

This approach focuses on the architecture of a company's customer-service system rather than the nature of the underlying relationship. Enterprise software companies primarily provide products and services to other businesses. Their customers may access technical support through web portals, chat interfaces, telephone systems, human account managers, or other customer-service tools. Those systems are often integrated: the same front-end platform may serve multiple types of customers and then authenticate and route a user based on the customer's account, product, or support needs.

Under AB 1609, however, whether a business-to-business interaction is exempt can turn on whether the company has created a separate communications channel used *solely* for business customers. For example, a business customer seeking technical support could be exempt when using a dedicated enterprise support line, but subject to the bill when using a shared support portal. There is no consumer-protection rationale for treating those interactions differently. In both cases, the individual is acting on behalf of a business customer in connection with a commercial relationship between two companies.

The "exclusive business lines" exemption would also create unnecessary operational complexity. Companies would have to establish and maintain duplicative customer-service channels merely to ensure that communications with their business customers qualify for the bill's exemption. Many companies have invested in integrated customer-service systems and would face significant costs and administrative burdens to create separate customer service channels for their business customers.

The distinction between business-to-business and consumer-facing interactions is particularly important because AB 1609 would impose new statutory requirements on customer-service interactions, including requirements related to connecting customers with a customer-service agent and managing hold and wait times. Enterprise customers and software providers frequently address these issues through negotiated contracts, service-level agreements, and support arrangements that account for the severity and complexity of their particular needs. A business employee simply using a shared support channel should not transform that commercial relationship into a consumer interaction subject to a separate California-specific customer-service regime.

If the Legislature intends to exempt business-to-business relationships, the exemption should turn on the *nature of the interaction*, not the communications channel used to facilitate it. For the bill to work in practice, it should, at a minimum, meaningfully exempt communications concerning goods or services purchased or used for business, commercial, nonprofit, or governmental purposes when an individual is acting on behalf of that entity.

For these reasons, BSA is opposed to AB 1609.

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Thank you for allowing us to provide the enterprise software sector's perspective on AB 1609. We welcome the opportunity to further engage with you or a member of your staff on these important issues.

Sincerely,

Meghan Pensyl
Director, Policy