

# Ethicore

AI Ethics in Marketing

## AI + Marketing Regulatory Tracker

Updated May 2026 | US Federal · EU · State · Industry

ethicoreadvisors.com | AI Ethics in Marketing  
Monthly Regulatory Digest

*Not legal advice. Verify all dates before acting.*

A monthly digest of regulations, guidance, and industry standards affecting the use of AI in marketing and advertising. Covers: FTC & Federal | EU AI Act | US State Laws | Industry Self-Regulation | All entries include official source links.

### RECENT DEVELOPMENTS — LAST 30 DAYS

#### GUIDANCE

March 20, 2026

#### White House Releases National AI Policy Framework Blueprint

The White House released a legislative blueprint calling on Congress to enact a national AI framework that would preempt conflicting state AI laws. The blueprint reinforces Trump's December 2025 executive order directing the AG to challenge state regulations through an AI Litigation Task Force, and conditions \$42 billion in BEAD broadband funding on states repealing AI laws deemed 'burdensome.' The FTC's March 11 policy statement on AI and Section 5 was issued in parallel under the same executive order directive.

#### MARKETER IMPACT:

State-level compliance obligations — Colorado, Illinois, New York, Texas — remain fully enforceable while this plays out. Federal preemption takes years of litigation. Do not pause state compliance work based on the framework blueprint; it is aspirational legislation, not current law.

*Official source: whitehouse.gov — National AI Policy Framework*

#### UPDATED

April 28, 2026

#### EU Digital Omnibus Trilogue Collapses — August 2 Deadline Back in Force ▲ UPDATED MAY 2026

The second political trilogue on the Digital Omnibus on AI ended without agreement on April 28, 2026, after roughly twelve hours of negotiation. The breakdown centred on the conformity assessment architecture for AI systems embedded in regulated products under Annex I (medical devices, industrial machinery, vehicles) — not the headline high-risk deadline extension, on which all three institutions had already converged. The Council and Parliament had previously adopted their positions on March 13 and March 26 respectively. A follow-up trilogue has been scheduled for approximately May 13, 2026. If no agreement is formally adopted and published in the Official Journal before August 2, the original EU AI Act deadlines apply as written.

#### MARKETER IMPACT:

The compliance assumption that the August 2, 2026 transparency and high-risk enforcement date would slip is no longer sound planning. Any programme quietly recalibrated to the Omnibus timeline since November 2025 is now exposed. Treat August 2 as the operative deadline. Watch the May 13 trilogue closely — a successful outcome would change the picture quickly, but a second collapse makes the original deadline effectively unavoidable.

*Official source: twobirds.com — Digital Omnibus on AI: Trilogue Stalls Ahead of the AI Act Deadline*

**UPDATED**

May 1, 2026

**Colorado: SB 189 Introduced — AI Act Rewrite and January 2027 Start Date ▲ UPDATED MAY 2026**

Colorado Senate Bill 189 was introduced on May 1, 2026, representing the legislature's third attempt to rewrite the state's landmark AI law (SB 24-205). The bill would replace the original compliance framework — which required bias audits, risk impact assessments, and broad AG disclosures — with a lighter-touch transparency and consumer rights model. Key changes: companies would no longer be required to disclose how their AI systems reach decisions, but would still be required to notify consumers when AI is used in consequential decisions (hiring, loans, housing), provide an appeal pathway, and retain records for three years. Effective date would shift to January 1, 2027. In a parallel development, a Colorado Magistrate Judge ordered on April 27 that the AG cannot enforce the original law until rulemaking is complete — a process that has not yet formally begun. The DOJ has also joined xAI's federal lawsuit challenging the original law as unconstitutional under the First Amendment. The legislature must pass SB 189 before session ends in May.

**MARKETER IMPACT:**

Do not treat SB 189 as settled law — it must still clear the Senate Appropriations Committee and pass before session ends. The court order blocking enforcement of the original law offers some immediate relief, but the January 2027 effective date in SB 189 is not yet guaranteed. Maintain preparation for the core transparency obligations (consumer notice, appeal rights, record-keeping) that survive in both versions of the law. Drop the bias audit and impact assessment workstreams pending the outcome.

*Official source: coloradosun.com — Colorado AI Compromise Bill Introduced; littler.com — Colorado AI Law Enforcement Blocked*

**FTC & FEDERAL GUIDANCE****IN FORCE**

Ongoing — updated March 2026

**FTC 'Operation AI Comply' — Enforcement Continues Under New Administration**

The FTC's 'Operation AI Comply' enforcement initiative — targeting deceptive AI marketing claims — is continuing under the current administration, despite the lighter-touch approach signalled by the Rytr reversal. The Air AI case (deceptive claims about autonomous AI sales agents) remains pending. A case against Growth Cave was resolved January 27, 2026, with a \$48.6 million settlement over claims that its AI software would automate 'nearly 100%' of course-building tasks when users were required to perform most work manually. Core enforcement focus: performance and efficacy claims, AI-washing in marketing materials, and deceptive income/earnings projections tied to AI tools.

**MARKETER IMPACT:**

Deceptive claims about what your AI tools can do — including vendor-supplied marketing language you repeat — remain an active enforcement target. The Growth Cave settlement scale underlines that enforcement has moved well beyond warning letters. Review all AI product claims in your own marketing before regulators do it for you.

*Official source: beneschlaw.com — FTC Operation AI Comply (2026 update)*

**IN FORCE**

January 2026

**FTC Consumer Review Rule — Active Enforcement Phase**

The FTC issued warning letters to 10 companies for potential violations of the Consumer Review Rule, which bans fake, incentivised, or undisclosed AI-generated reviews. The rule also prohibits tying employee compensation to specific review sentiment and requires disclosure when employees or AI systems author reviews.

**MARKETER IMPACT:**

AI-generated testimonials and reviews are squarely in scope. Any campaign using AI to generate customer-facing social proof must include clear disclosure. Enforcement letters signal the FTC has moved from education to penalty phase.

*Official source: ftc.gov — Consumer Review Fairness Rule*

**IN FORCE**

Ongoing (updated 2023, enforced 2024+)

## FTC Endorsement Guidelines — AI and Influencer Applicability

The FTC's updated Endorsement Guides explicitly address AI-generated endorsements and virtual influencers. Material connections between brands and AI-generated personas must be disclosed. The guides cover social media, native advertising, and sponsored content regardless of whether a real human or AI persona is involved.

### MARKETER IMPACT:

AI influencers, synthetic spokespeople, and AI-assisted testimonial generation all require FTC-compliant disclosure language. 'Paid partnership' alone may be insufficient if the persona itself is AI-generated.

*Official source: [ftc.gov](https://www.ftc.gov) — [Endorsement Guides: What People Are Asking](#)*

**GUIDANCE**

December 22, 2025

## FTC Sets Aside Rytr AI Consent Order — Signals Policy Shift

The FTC reopened and set aside its 2024 consent order against Rytr LLC (an AI writing tool), concluding the original complaint failed to meet legal requirements under the FTC Act and placed undue burden on AI innovation. This reflects a lighter-touch approach under the current Commission composition.

### MARKETER IMPACT:

The Rytr reversal suggests the FTC under current leadership is recalibrating enforcement to avoid over-restricting AI tools. However, the March 2026 Section 5 statement confirms the agency retains its deceptive practices authority for genuinely misleading AI applications.

*Official source: [ftc.gov](https://www.ftc.gov) — [Rytr LLC Case Proceedings](#)*

## EU AI ACT

**IN FORCE**

August 2, 2025

## EU AI Act: GPAI Model Obligations Now In Force

Obligations for providers of General-Purpose AI (GPAI) models are now active. Any AI model trained on  $10^{23}+$  FLOPs capable of generating text, audio, images, or video must maintain technical documentation, publish a training data summary, and establish a copyright compliance policy. The EU AI Office can request documentation, though full enforcement powers begin August 2026.

### MARKETER IMPACT:

If your martech stack includes foundation models (image generation, copywriting AI, synthetic video), your vendors should already have GPAI compliance documentation. Request model cards and training data summaries before renewing contracts.

*Official source: [digital-strategy.ec.europa.eu](https://digital-strategy.ec.europa.eu) — [Guidelines for GPAI Providers](#)*

**UPCOMING**

August 2, 2026 — Digital Omnibus extension now uncertain

## EU AI Act: Full Enforcement Deadline — Treat August 2 as Live ▲ UPDATED MAY 2026

The majority of EU AI Act rules are due to enter full enforcement on August 2, 2026. Transparency obligations mandate disclosure when consumers interact with AI chatbots or AI-generated content; deepfake and AI-generated public-interest content must carry visible labels. The Digital Omnibus proposal would have extended the watermarking/labelling deadline to November 2026 or February 2027 — but as of May 2026, the April 28 trilogue collapse means no extension has been adopted. A follow-up trilogue is scheduled for approximately May 13, 2026. If agreement is not reached and published before August 2, the original deadline stands as written.

### MARKETER IMPACT:

AI chatbots, synthetic creative, and AI-personalised offers may all trigger transparency labelling requirements for EU consumers. With the Omnibus extension no longer a reliable planning assumption, August 2 compliance must be treated as the target date. Any extension that eventually passes is a bonus — not a plan.

*Official source: [artificialintelligenceact.eu](https://artificialintelligenceact.eu) — [Implementation Timeline](#); [thenextweb.com](https://thenextweb.com) — [EU AI Act Omnibus Deal Fails](#)*

IN FORCE

February 2, 2025

## EU AI Act: Prohibited AI Practices Banned Since February 2025

Prohibited practices under the EU AI Act have been banned since February 2025. These include: subliminal manipulation techniques that bypass conscious awareness, exploitation of psychological vulnerabilities in advertising, AI-based social scoring of consumers, and certain forms of biometric categorisation for ad targeting. The Digital Omnibus negotiations also reached broad consensus on adding a prohibition on AI-enabled 'nudification' tools generating non-consensual intimate imagery — a provision expected to survive whichever version of the Omnibus eventually passes.

### MARKETER IMPACT:

Psychological-profiling-based ad targeting, dark-pattern AI optimisation, and emotion-detection in advertising may all constitute prohibited practices for EU audiences. Legal review of targeting methodology is essential before EU campaigns.

*Official source: [artificialintelligenceact.eu](https://artificialintelligenceact.eu) — Article 5 (Prohibited Practices)*

## US STATE LAWS

EFFECTIVE SOON

Effective June 9, 2026

### New York: AI Synthetic Performers Disclosure Law (S.8420-A)

New York becomes the first US state to require conspicuous disclosure whenever a digitally-created 'synthetic performer' — an AI-generated human-like figure not based on a real identifiable person — appears in a commercial advertisement. Penalties: \$1,000 per first violation, \$5,000 for subsequent violations. Exemptions apply for audio-only ads and expressive works. Governor Hochul also signed a companion bill strengthening New York's right-of-publicity framework, requiring consent from heirs or executors for commercial use of a deceased person's likeness or digital replica.

### MARKETER IMPACT:

Any ad featuring an AI-generated model, spokesperson, or background performer shown to New York consumers requires a disclosure. The law does not specify format; plan for visible on-screen text. Review UGC and influencer campaigns using AI face generation. The 34 days to the June 9 deadline make this the most urgent near-term compliance item for most marketing teams.

*Official source: [nysenate.gov](https://nysenate.gov) — S.8420-A (2025)*

IN FORCE

Effective January 1, 2026

### California: AB 2013 — Generative AI Training Data Transparency

Developers of generative AI systems used in California must publicly post detailed information about the datasets used to train their models, including data sources, collection methods, and whether personal data was included. Applies to systems generating text, images, audio, or video for commercial use.

### MARKETER IMPACT:

California-facing AI creative tools and martech platforms must now publish training data disclosures. When evaluating AI vendors, check their AB 2013 compliance documentation. Lack of transparency docs is a procurement red flag.

*Official source: [leginfo.legislature.ca.gov](https://leginfo.legislature.ca.gov) — AB-2013*

UPDATED

Effective date now January 1, 2027 — pending SB 189 passage

### Colorado: AI Act Rewrite Underway — Enforcement Blocked, New Bill Introduced ▲ UPDATED MAY 2026

Colorado SB 24-205 (the original AI Act) remains nominally effective June 30, 2026, but enforcement has been temporarily blocked by a court order issued April 27, 2026, requiring the AG to complete formal rulemaking before enforcement can begin. Senate Bill 189, introduced May 1, 2026, would replace the original law with a lighter-touch Automated Decision Making Technology (ADMT) framework focused on consumer notice, appeal rights, human review, and data retention — without the bias audit or risk impact assessment requirements of the original. The DOJ has joined xAI's First Amendment lawsuit against the original law. If SB 189 passes before the legislative session ends in May 2026, the new framework takes effect January 1, 2027.

#### MARKETER IMPACT:

Do not abandon compliance preparation — the core transparency requirements (consumer notice, appeal pathway, three-year record retention) survive in both versions of the law. Drop the bias audit workstream pending the outcome of SB 189. The court-ordered enforcement block provides short-term relief but is not a permanent stay. Watch the legislative session deadline and any further court developments.

*Official source: coloradosun.com — Colorado AI Compromise Bill; littler.com — Colorado AI Law Enforcement Blocked*

IN FORCE

Effective January 1, 2026

### Texas: Responsible AI Governance Act (TRAIGA)

TRAIGA focuses primarily on state agency AI use with a lighter-touch approach for the private sector. Private companies face intent-based liability with prohibitions and safe harbors rather than affirmative compliance mandates. Strongest obligations apply to government agencies, but private sector entities using AI in consumer-facing contexts are not exempt.

#### MARKETER IMPACT:

Lower compliance burden than Colorado, but the intent-based framing means documented AI governance is still important. Knowing misuse is harder to defend — keep records of AI policy decisions for Texas-facing campaigns.

*Official source: capitol.texas.gov — HB 1709 (TRAIGA)*

IN FORCE

Effective January 1, 2026

### Illinois: AI Employment Discrimination Amendment (H.B. 3773)

Illinois amended its Human Rights Act to explicitly cover AI-driven discrimination in employment decisions including hiring, firing, discipline, tenure, and training. Directly relevant for marketing teams deploying AI recruitment advertising or platforms that use AI to screen job applicants from ad-driven traffic.

#### MARKETER IMPACT:

AI-driven job advertising and candidate targeting (e.g., excluding demographics from seeing job ads) falls under this law. Audit any programmatic job advertising that uses AI audience optimisation in Illinois.

*Official source: ilga.gov — HB 3773 (Illinois General Assembly)*

INDUSTRY SELF-REGULATION

## IAB: AI Transparency and Disclosure Framework

The Interactive Advertising Bureau released the industry's first AI Transparency and Disclosure Framework. The framework takes a risk-based, materiality-driven approach: disclosure is required only when AI materially affects authenticity, identity, or representation in ways that could mislead consumers. Routine production tasks can proceed without disclosure.

### MARKETER IMPACT:

The materiality test gives brands a practical filter: if your AI use could mislead a reasonable consumer about who or what they are engaging with, label it. Adopt this framework now to get ahead of what will likely become a regulatory baseline.

*Official source: [iab.com](https://iab.com) — AI Transparency and Disclosure Framework*

## IAB Tech Lab: Agentic Advertising Protocol Standards

IAB Tech Lab is developing Agentic Protocol SDKs to lay the foundation for AI agent-to-agent advertising transactions — where AI buying agents interact with AI selling agents without human involvement in individual decisions. The initiative will establish consent, identity, and attribution standards for agentic ad-buying.

### MARKETER IMPACT:

As programmatic buying becomes increasingly agentic, new consent and data-use frameworks will apply. Monitor IAB Tech Lab developments before deploying fully autonomous AI campaign management tools.

*Official source: [iabtechlab.com](https://iabtechlab.com) — Agentic Advertising and AI*

## NAI: AI Data Use Principles for Interest-Based Advertising

The Network Advertising Initiative Code of Conduct includes provisions on the use of AI and automated decision-making in interest-based advertising. Members must provide enhanced notice when AI is used for sensitive data inferences and must honor opt-out signals in AI-driven targeting environments including non-cookie contexts.

### MARKETER IMPACT:

NAI membership and compliance is increasingly used as a trust signal by publishers and DSPs. AI-driven lookalike modelling and predictive audience expansion tools must be mapped against NAI data use limitations.

*Official source: [thenai.org](https://thenai.org) — NAI Code of Conduct*

## KEY DATES AHEAD

DATE	EVENT	STATUS
May 13, 2026	EU Digital Omnibus follow-up trilogue	Determines whether August 2 AI Act deadline will be extended
~May 2026	Colorado legislative session ends	SB 189 must pass before session closes or original law stands
Jun 9, 2026	NY Synthetic Performers Disclosure Law takes effect	Applies to all ads featuring AI-generated performers shown to NY consumers
Jun 30, 2026	Colorado original AI Act deadline (nominally)	Enforcement currently blocked by court order; SB 189 would move to Jan 2027
Aug 2, 2026	EU AI Act full enforcement deadline	Transparency, high-risk obligations — extension not confirmed; treat as live
Jan 1, 2027	Colorado SB 189 ADMT framework (if enacted)	Consumer notice, appeal rights, human review, 3-year record retention