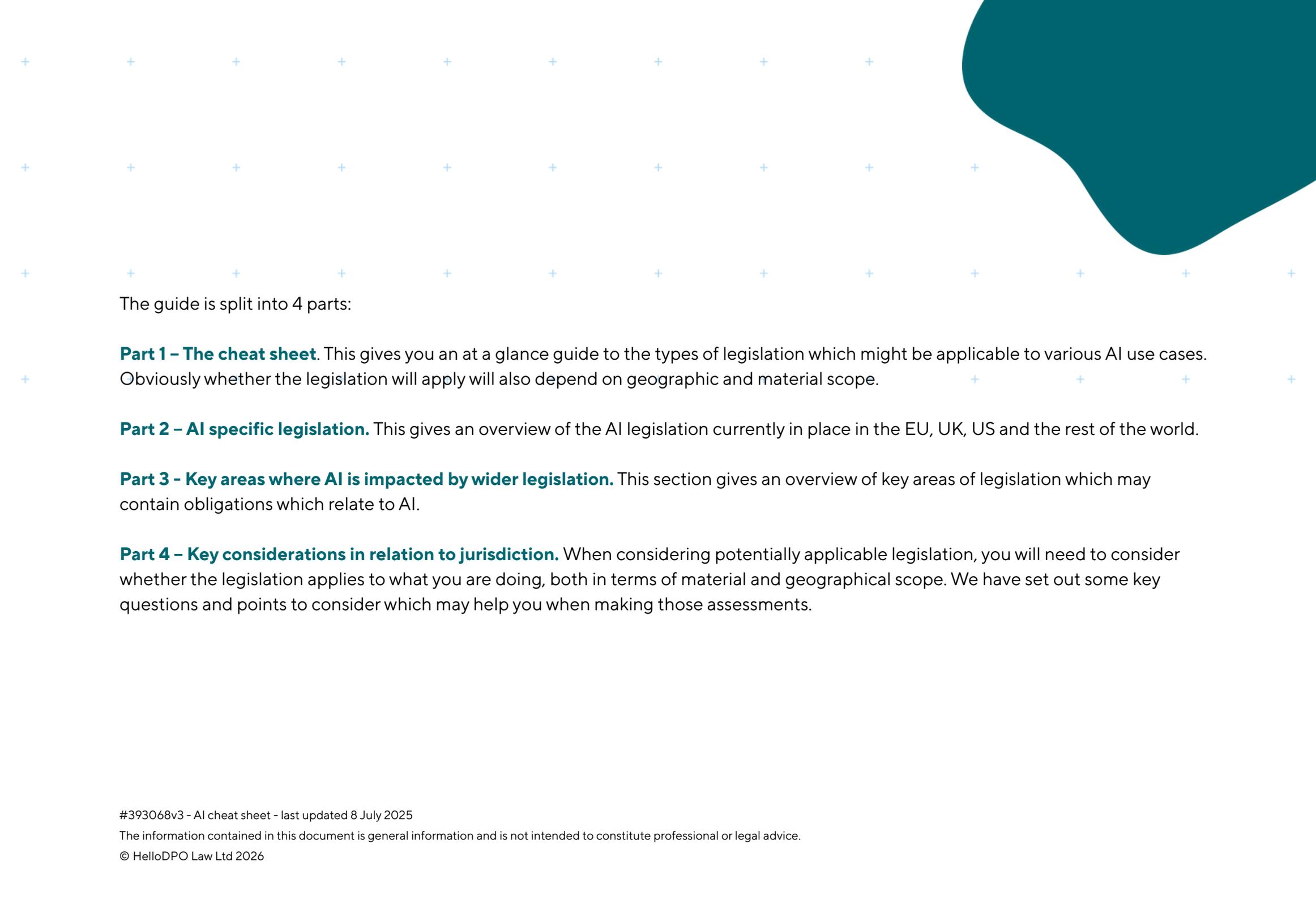# AI cheat sheet
What **legislation** applies?

With the increase in usage of AI by businesses comes an increasing need to be able to navigate the (global) legislation which impacts the use of this technology, from AI specific legislation to laws such as GDPR, intellectual property legislation and discrimination legislation which may be relevant when deploying AI.

We have put together a quick, at a glance guide to the types of legislation you may need to consider when deploying AI in your business to give you a head start in ensuring you comply with the applicable legislation.

HelloDP

The guide is split into 4 parts:

Part 1 – The cheat sheet. This gives you an at a glance guide to the types of legislation which might be applicable to various AI use cases. Obviously whether the legislation will apply will also depend on geographic and material scope.

Part 2 – AI specific legislation. This gives an overview of the AI legislation currently in place in the EU, UK, US and the rest of the world.

Part 3 - Key areas where AI is impacted by wider legislation. This section gives an overview of key areas of legislation which may contain obligations which relate to AI.

Part 4 – Key considerations in relation to jurisdiction. When considering potentially applicable legislation, you will need to consider whether the legislation applies to what you are doing, both in terms of material and geographical scope. We have set out some key questions and points to consider which may help you when making those assessments.

Part 1 – The cheat sheet

Use case	Potentially applicable legislation									
	GDPR	E-Privacy rules	IP law	EU AI Act	Local AI laws	Laws on rights of the indvidual	Consumer rights laws	Product safety and liability laws	Sectoral laws	Data (Use and Access) Act
Customer service chatbot answering queries	✓		✓	✓	✓		✓		✓	
Customer service chatbot with marketing elements	✓	✓	✓	✓	✓		✓		✓	
Meeting recording and transcription	✓		✓	✓	✓				✓	

Part 1 – The cheat sheet

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	GDPR	E-Privacy rules	IP law	EU AI Act	Local AI laws	Laws on rights of the indvidual	Consumer rights laws	Product safety and liability laws	Sectoral laws	Data (Use and Access) Act
Recruitment and employment decisions	✓		✓	✓	✓	✓			✓	✓
Consumer products containing AI	✓		✓	✓	✓		✓	✓	✓	
Credit referencing	✓		✓	✓	✓	✓	✓		✓	✓
Generative AI use by employees (e.g. co-pilot)	✓		✓		✓				✓	

Part 2 - AI specific legislation

EU AI Act

Who is affected?
- Organisations developing, deploying, distributing, or importing AI
- Applies beyond systems based in the EU

Prohibited AI practices
- Biometric categorisation and remote identification (for law enforcement)
- Using untargeted scraping to compile facial recognition databases
- Subliminal, manipulative and deceptive techniques
- Exploitation of vulnerabilities
- Emotion inference in the workplace/education- save for safety/medical reasons
- Social scoring
- Assessing likeihood to commit an offence

High-risk AI systems
Subject to extensive obligations, high risk include:
- Relating to biometrics,
- Safety components in certain products/systems,
- Critical infrastructre,
- Access to education/vocational training, recruitment and employment,
- Access to essential services (both private and public)
- Administration of justice and democratic processes, law enforcement, migration, asylum and border control

General purpose AI (GPAI)
- Transparency obligations apply
- Systemic-risk GPAI face broader rules

Low-risk AI systems
- Other systems are deemed low risk although there are transparency obligations for systems interacting directly with individuals

Penalties
- Up to €35 million or 7% of global annual turnover (whichever is higher)

Timeline
- Some rules are in force now, including those relating to prohibited practices
- Majority will be in force 24 months after enactment

Part 2 - AI specific legislation

US

- Currently no comprehensive federal legislation although there are various executive orders and acts which touch on AI, such as the National AI Initiative Act and TAKE IT DOWN Act
- A number of states have enacted AI related legislation
- Remember to check federal and state level legislation

Rest of the World

- Approaches to regulation vary
- Consider whether international, national , federal and/or state level legislation is applicable

UK

- The approach is currently principles-based based resulting from existing law
- It has been reported by the Guardian that legislative proposals to regulate AI have been postponed until 2026
- Private member's bill currently in Parliament (statistically, these bills have a low success rate) which would, amongst other things, establish an AI authority

Part 3 – Key areas where AI is impacted by wider legislation

GDPR

Where personal data is involved, GDPR will be applicable (subject to territorial jurisdiction). You must consider your compliance obligations in the context of your role in the development/deployment of AI, in particular:

- Accountability and governance - The ICO states that conducting a DPIA is an ideal way to demonstrate this
- Transparency - This can be a complex topic to navigate given the technical nature of the functioning of AI
- Purpose limitation - particularly in relation to training data
- Legal basis - taking into account the different processing operations (e.g. training, inputs and outputs)
- Accuracy - taking into account the difference between the concepts in AI and under GDPR
- Security - AI demands consideration of novel threats such as data poisoning and model inversion attacks
- Fairness - considering also bias and discrimination
- Individuals' rights - considering the challenges AI presents to the exercise of these rights such as the right to deletion where personal data has been used for training and absorbed into the model

Part 3 – Key areas where AI is impacted by wider legislation

E Privacy Directive/Regulations

Use of AI to conduct marketing activities may engage e-privacy rules such as:

- Cookie/tracking technology provisions
- Electronic and telephone marketing rules

Sectoral legislation

Whilst in some cases there may be no overarching legislation which touches on AI, you should consider the possibility of whether your sector is governed by legislation/subject to guidance which may impact the use of AI.

Intellectual Property laws

Use of AI may engage intellectual property law issues such as who owns any intellectual property and infringements of intellectual property in areas such as:

- Copyright
- Patent
- Trademarks
- Design rights

Part 3 – Key areas where AI is impacted by wider legislation

Rights of the individual

The use, of AI has the potential to affect individuals in ways beyond data privacy, use of AI may be impacted by legislation which governs issues such as:

- Human rights
- Employment rights
- Discrimination

Consumer and product liability

AI which has an effect on consumers may trigger consumer protection laws.

Products which incorporate AI may be subject to legislation relating to their manufacture such as:

- Product liability laws
- Product safety laws

Data (Use and Access) Act

The Data (Use and Access) Act has provisions relating to:

- Automated decision making
- Smart Data and AI and copyright, which could result in future regulations affecting AI

Part 4 - Key questions to ask in relation to jurisdiction

Each piece of legislation/guidance will have its own parameters for application, but thinking about the questions mentioned below may help when considering whether the legislation in question applies to your use of AI.

Geographical jurisdiction

1. Where is the AI system based?
2. Where are the parties involved based?
3. Where is output of the AI used?
4. Who does it affect and where are they situated?

Material jurisdiction

1. What does the AI do?
2. What is your role?
3. Is the legislation general or sectoral?