## COMMONS DISAGREEMENT WITH LORDS AMENDMENT WITH A REASON

[The clause, page and line references are to Bill 179, the Bill as first printed for the Commons]

### COMMONS AMENDMENT 49

### Clause 137

**49** Page 171, line 15, leave out Clause 137

### LORDS AGREEMENT AND AMENDMENT INSTEAD OF WORDS SO LEFT OUT OF THE BILL

The Lords agree with the Commons in their Amendment 49 and propose Amendment 49B instead of the words so left out of the Bill -

**49B** Before Clause 138, insert the following new Clause –

# "Requirement to make provision in relation to transparency of business data used in relation to AI models

- (1) The Secretary of State or the Treasury must by regulations make provision as set out in this section in relation to a trader which operates a service which
  - (a) includes the making available of an artificial intelligence (AI) model, and
  - (b) has links with the United Kingdom within the meaning of subsection (2),
  - and in relation to a data holder for the business data of such a trader.
- (2) The service has links with the United Kingdom if
  - (a) it has a significant number of United Kingdom users, or
  - (b) United Kingdom users form one of the target markets for the service (or the only target market).
- (3) A "data holder" for the business data of such a trader means
  - (a) the trader, or
  - (b) a person who, in the course of a business, processes that data.

- (4) The regulations must require specified business data to be published by the trader or the data holder so as to provide copyright owners with information regarding the text and data used in the pre-training, training, fine-tuning and retrieval-augmented generation in the AI model, or any other data input to the AI model.
- (5) The regulations must require the business data to be published by the trader or the data holder in such form, at such intervals and in such manner as the regulations may prescribe, in particular so as to ensure that it is accessible to copyright owners upon request.
- (6) The regulations must require the trader or the data holder, when publishing the business data as required under subsections (4) and (5), to provide an effective mechanism to allow copyright owners to identify all individual works that they own that are used in the pre-training, training, fine-tuning and retrieval-augmented generation in the AI model, or any other data input to the AI model.
- (7) The regulations may provide that the regulations apply in modified form in order that they apply proportionately to small companies and micro-entities within the meaning of the Companies Act 2006, or apply differently to UK-registered companies within the meaning of the Companies Act 2006 as opposed to companies which are not UK-registered.
- (8) The regulations must require the trader, if bots are used in the making available of its AI model, to disclose information regarding the identity of such bots used by them or by third parties on their behalf, including but not limited to
  - (a) the name of the bot,
  - (b) the legal entity responsible for the bot, and
  - (c) the specific purposes for which each bot is used.
- (9) In this section "bot" means an autonomous software application that can interact with systems or users (including crawlers and fetchers) and which obtains data from websites in accordance with instructions.
- (10) The regulations must make provision for enforcement of the regulations made under this section in accordance with sections 8 (enforcement of regulations under this Part), 9 (restrictions on powers of investigation etc) and 10 (financial penalties) of this Act as if this section were in Part 1 of this Act.
- (11) The Secretary of State or the Treasury must lay before Parliament a draft of the statutory instrument containing regulations under this section within 12 months of the day on which this Act is passed and the regulations are subject to the affirmative procedure."

### COMMONS REASON

The Commons disagree with the Lords in their Amendment 49B for the following Reason -

**49C** Because the Amendment would involve charges on public funds, and the Commons do not offer any further Reason, trusting that this Reason may be deemed sufficient.

#### LORDS NON-INSISTENCE AND AMENDMENT IN LIEU

*The Lords do not insist on their Amendment* 49B, *to which the Commons have disagreed for their Reason* 49C, *and do propose Amendment* 49D *in lieu of Amendment* 49B –

**49D** Before Clause 138, insert the following new Clause –

# "Requirement to make provision in relation to transparency of copyrighted works used in relation to AI models

- (1) The Secretary of State or the Treasury must by regulations make provision as set out in this section in relation to a trader which operates a service which
  - (a) includes the making available of an artificial intelligence (AI) model, and
  - (b) has links with the United Kingdom within the meaning of subsection (2).
- (2) The service has links with the United Kingdom if -
  - (a) it has a significant number of United Kingdom users, or
  - (b) United Kingdom users form one of the target markets for the service (or the only target market).
- (3) The regulations must require relevant traders to provide copyright owners with clear, relevant, accurate and accessible information that will allow them to identify
  - (a) the use of their copyright works used, and
  - (b) the means by which those works were accessed,

in the pre-training, training, fine-tuning and retrieval-augmented generation of the AI model, or any other data input to the AI model.

- (4) The regulations may provide that the regulations apply in modified form in order that they apply proportionately to small companies and micro-entities within the meaning of the Companies Act 2006, or apply differently to UK-registered companies within the meaning of the Companies Act 2006 as opposed to companies which are not UK-registered.
- (5) Regulations made under this section may make provision for enforcement of their provisions.
- (6) The Secretary of State or the Treasury must lay before Parliament a draft of the statutory instrument containing regulations made under this section within six months of the publication of the report on the use of copyright works in the development of AI systems required by section (*Report on the use of copyright works in the development of AI systems*), and the regulations are subject to the affirmative procedure."

#### COMMONS REASON

The Commons disagree with the Lords in their Amendment 49D for the following Reason –

**49E** Because the Amendment would involve charges on public funds, and the Commons do not offer any further Reason, trusting that this Reason may be deemed sufficient.

### LORDS NON-INSISTENCE AND AMENDMENT IN LIEU

*The Lords do not insist on their Amendment* 49D, *to which the Commons have disagreed for their Reason* 49E, *and do propose Amendment* 49F *in lieu of Amendment* 49D –

**49F** Before Clause 138, insert the following new Clause –

# "Statement and bringing forward of a draft Bill: copyright infringement, AI models, and transparency over inputs

- (1) Within three months of the publication of the report required by section (*Report* on the use of copyright works in the development of AI systems), the Secretary of State must make a statement to the House of Commons setting out his or her view on
  - (a) the scale of copyright infringement of works used as a data input to an artificial intelligence (AI) model, where that infringement is conducted by a relevant trader or by third parties from which they source data inputs, and whether conducted in the United Kingdom or overseas,
  - (b) the impact of such copyright infringement on the United Kingdom economy, businesses, and individual copyright owners,
  - (c) the impact of such copyright infringement on the ability of UK-registered companies, in particular small companies and micro-entities within the meaning of the Companies Act 2006, to compete on a level playing field in the market for AI models with relevant traders that conduct such copyright infringement (especially overseas), and
  - (d) the adequacy of existing statutory and regulatory powers which support copyright owners in identifying and preventing such copyright infringement, including but not limited to transparency requirements on relevant traders.
- (2) On the same date as the statement, the Government must publish a draft Bill containing legislative proposals to provide transparency to copyright owners regarding the use of their copyright works as data inputs for AI models made available by relevant traders.
- (3) In this section a "relevant trader" is a trader which operates a service which
  - (a) includes the making available of an AI model, and
  - (b) has links with the United Kingdom within the meaning of subsection (4).
- (4) The service has links with the United Kingdom if
  - (a) it has a significant number of United Kingdom users, or
  - (b) United Kingdom users form one of the target markets for the service (or the only target market).
- (5) The draft Bill must require relevant traders to provide copyright owners with clear, relevant, accurate and accessible information that will allow them to identify—
  - (a) the use of their copyright works used,
  - (b) the means by which those works were accessed, and
  - (c) the identity of third parties from which data inputs were sourced,

in the pre-training, training, fine-tuning and retrieval-augmented generation of the AI model, or any other data input to the AI model.

- (6) The draft Bill may require relevant traders to provide copyright owners with other information from that which is required under subsection (5) to allow them to identify the legal basis for the use of their copyright works as data inputs to the AI models.
- (7) The draft Bill may contain provisions that apply in modified form in order that they apply proportionately to small companies and micro-entities within the meaning of the Companies Act 2006, or apply differently to UK-registered companies within the meaning of the Companies Act 2006 as opposed to companies which are not UK-registered.
- (8) The draft Bill must make provision for enforcement of its provisions.
- (9) The Secretary of State must, in the statement required under subsection (1) or in an accompanying document, set out his or her view on the expected effectiveness of the legislative proposals set out in the draft Bill required under subsection (2) for supporting copyright owners in identifying and preventing copyright infringement by relevant traders and third parties from which they source data inputs, whether that infringement is conducted in the United Kingdom or overseas.
- (10) The Secretary of State must lay the draft Bill before the relevant Parliamentary Committee in both Houses for pre-legislative scrutiny.
- (11) The "relevant Parliamentary Committee" is a reference to the Parliamentary Committee in each House, or the joint Committee of both Houses, which
  - (a) is charged with responsibility by its House or by both Houses for the purposes of this section, and
  - (b) has notified the Secretary of State that it is a relevant Parliamentary Committee for those purposes."

#### COMMONS REASON

*The Commons disagree with the Lords in their Amendment* 49F for the following Reason –

**49G** Because the proposed statement to the House of Commons is unnecessary, given the economic impact assessment and report which are required to be published and laid before Parliament by Commons Amendments 45 and 46, and because it is not appropriate to require the Secretary of State to publish draft legislation within three months of publishing those documents.

# COMMONS DISAGREEMENT WITH LORDS AMENDMENT WITH A REASON

3 June 2025

© Parliamentary copyright 2025, House of Lords This publication may be reproduced under the terms of the Open Parliament Licence, which is published at www.parliam ent.uk/site-information/copyright

PUBLISHED BY THE AUTHORITY OF THE HOUSE OF LORDS