

STATE OF NEW YORK

8952

IN SENATE

January 21, 2026

Introduced by Sen. FAHY -- read twice and ordered printed, and when printed to be committed to the Committee on Consumer Protection

AN ACT to amend the general business law, in relation to disclosures by sellers of digital goods

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. The general business law is amended by adding a new section 350-b-2 to read as follows:

§ 350-b-2. Disclosures required in advertisements of digital goods. 1. For purposes of this section, the following definitions apply:

(a) "Clear and conspicuous" means in a manner that clearly calls attention to the language, such as in larger type than the surrounding text, or in contrasting type, font, or color to the surrounding text of the same size, or set off from the surrounding text of the same size by symbols or other marks.

(b) "Digital application or game" means any application or game that a person accesses and manipulates using a specialized electronic gaming device, computer, mobile device, tablet, or other device with a display screen, including any add-ons or additional content for that application or game.

(c) "Digital audio work" means a work that results from the fixation of a series of musical, spoken, or other sounds that are transferred electronically, including prerecorded or live songs, music, readings of books or other written materials, speeches, ringtones, or other sound recording.

(d) "Digital audiovisual work" means a series of related images that, when shown in succession, impart an impression of motion, together with accompanying sounds. "Digital audiovisual work" includes motion pictures, musicals, videos, news and entertainment programs, and live events.

(e) "Digital book" means a work that is generally recognized in the ordinary and usual sense as a book that is transferred electronically, including a work of fiction or nonfiction.

(f) "Digital code" means a code that provides the person that holds the code a right to obtain an additional digital good, a digital audiovisual work, digital audio work, or digital book that may be obtained by any means, including tangible forms and electronic mail, regardless

EXPLANATION--Matter in italics (underscored) is new; matter in brackets [-] is old law to be omitted.

LBD11925-01-5

1 of whether the code is designated as song code, video code, or book
2 code. "Digital code" includes codes used to access or obtain any speci-
3 fied digital goods, or any additional digital goods that have been
4 previously purchased, and promotion cards or codes that are purchased by
5 a retailer or other business entity for use by the retailer's or enti-
6 ty's customers.

7 (g) "Digital good" means a digital audiovisual work, digital audio
8 work, digital book, digital code, or digital application or game, wheth-
9 er electronically or digitally delivered or accessed. "Digital good"
10 does not include a cable television service, satellite relay television
11 service, or any other distribution of television, video, or radio
12 service.

13 2. It shall be unlawful for a seller of a digital good to advertise or
14 offer for sale a digital good to a purchaser with the terms "buy,"
15 "purchase," or any other term which a reasonable person would understand
16 to confer an unrestricted ownership interest in the digital good, or
17 alongside an option for a time-limited rental, unless either of the
18 following occur:

19 (a) the seller receives at the time of each transaction an affirmative
20 acknowledgment from the purchaser indicating all of the following:

21 (i) that the purchaser is receiving a license to access the digital
22 good;

23 (ii) a complete list of restrictions and conditions of the license;
24 and

25 (iii) that access to the digital good may be unilaterally revoked by
26 the seller if they no longer hold a right to the digital good, if appli-
27 cable; or

28 (b) the seller provides to the consumer before executing each trans-
29 action a clear and conspicuous statement that does both of the follow-
30 ing:

31 (i) states in plain language that "buying" or "purchasing" the digital
32 good is a license; and

33 (ii) includes a hyperlink, QR code, or similar method to access the
34 terms and conditions that provide full details on the license.

35 3. Any affirmative acknowledgment from the purchaser or clear and
36 conspicuous statement pursuant to subdivision two of this section shall
37 be distinct and separate from any other terms and conditions of the
38 transaction that the purchaser acknowledges or agrees to.

39 4. This section does not require a person to download a digital good,
40 or prohibit a person from storing a digital good on a server for access
41 through the internet.

42 5. This section does not apply to any of the following:

43 (a) any subscription-based service that advertises or offers for sale
44 access to any digital good solely for the duration of the subscription;

45 (b) any digital good that is advertised or offered to a person for no
46 monetary consideration; or

47 (c) any digital good that is advertised or offered to a person that
48 the seller cannot revoke access to after the transaction, which includes
49 making the digital good available at the time of purchase for permanent
50 offline download to an external storage source to be used without a
51 connection to the internet.

52 § 2. This act shall take effect on the ninetieth day after it shall
53 have become a law.