

STATE OF NEW YORK

9408--A

IN SENATE

March 10, 2026

Introduced by Sen. GOUNARDES -- read twice and ordered printed, and when printed to be committed to the Committee on Consumer Protection -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the general business law, in relation to prohibiting the manufacture and sale of chatbot toys; and providing for the repeal of such provisions upon the expiration thereof

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

1 Section 1. The general business law is amended by adding a new article
2 48 to read as follows:

ARTICLE 48

PROHIBITION ON CHATBOT TOYS

Section 1800. Definitions.

1801. Prohibition.

1802. Enforcement.

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8 § 1800. Definitions. As used in this article, the following terms
9 shall have the following meanings:

10 1. "AI companion" shall have the same definition as set forth in
11 subdivision four of section seventeen hundred of this chapter.

12 2. "Chatbot toy" shall mean when an AI companion is embedded in or
13 integrated with a children's toy.

14 3. "Children's toy" shall mean as defined in subdivision (g) of 15 USC
15 § 2057c or any successor provision thereof.

16 4. "User" shall mean any person who is a consumer of a chatbot toy and
17 who is not an operator, agent, affiliate, developer, manufacturer, sell-
18 er, reseller, distributor, or commercial provider of such toy.

19 5. "Operator" shall mean any person, partnership, association, firm,
20 or business entity, or any member, affiliate, subsidiary or beneficial
21 owner thereof, who operates or provides an AI companion in a children's
22 toy.

23 § 1801. Prohibition. No person, firm, corporation, association, part-
24 nership, business entity, or agent, employee, affiliate, beneficial

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

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1 owner, or subsidiary thereof, shall manufacture, exchange, hold for
2 sale, distribute, or sell any chatbot toy in this state.

3 § 1802. Enforcement. Whenever the attorney general shall believe from
4 evidence satisfactory to them that an operator has engaged in or is
5 about to engage in any of the acts or practices stated to be unlawful in
6 this article, they may bring an action in the name and on behalf of the
7 people of the state of New York to enjoin an operator from continuing
8 such unlawful acts or practices, and may seek civil penalties of up to
9 fifteen thousand dollars per day for each violation. If it shall appear
10 to the satisfaction of the court or justice that the defendant has
11 violated section eighteen hundred one of this article, no proof shall be
12 required that any person has been injured thereby. In such action
13 preliminary relief may be granted under article sixty-three of the civil
14 practice law and rules.

15 § 2. This act shall take effect on the ninetieth day after it shall
16 have become a law and shall expire and be deemed repealed 5 years after
17 such effective date. Effective immediately, the addition, amendment
18 and/or repeal of any rule or regulation necessary for the implementation
19 of this act on its effective date are authorized to be made and
20 completed on or before such effective date.