STATE OF NEW YORK

9417

IN SENATE

March 10, 2026

Introduced by Sen. GOUNARDES -- read twice and ordered printed, and when printed to be committed to the Committee on Internet and Technology

AN ACT to amend the general business law, in relation to enacting the "SAFE platforms act"

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

Section 1. This act shall be known and may be cited as the "stopping abuse and fraud enabled by (SAFE) platforms act".

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

ARTICLE 48
SAFE PLATFORMS ACT

Section 1705. Definitions.
1706. Prohibitions.
1707. Mechanisms to prevent fraud.
1708. Know your customer requirements.
1709. Consumer transparency.
1710. Nondiscrimination.
1711. Prohibition on dark patterns.
1712. Exceptions.
1713. Remedies.
1714. Rulemaking authority.

§ 1705. Definitions. As used in this article, the following terms shall have the following meanings:

1. "Advertiser" means any person or entity that pays a covered platform to display, promote, or otherwise disseminate content to users of such platform.

2. "Consumer" or "consumer user" means a user in New York state on a covered platform that is acting neither as an operator of a covered platform nor as an advertiser on such platform.

3. "Covered platform" means a social media platform as defined in subdivision five of section eleven hundred of this chapter that is accessed by or offered to a user as defined in subdivision eight of this section.

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

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4. "Fraud" means any representation, omission, or practice that:

(a) is likely to mislead a consumer acting reasonably under the circumstances; and

(b) is material to consumer decision-making.

5. "Fraudulent content" means content that constitutes fraud as defined in subdivision four of this section.

6. "Materially contribute" means encouraging or inducing an advertiser or user to develop or disseminate fraudulent content by means of conduct that goes beyond the provision of neutral tools by a covered platform to develop or disseminate such content.

7. "Operator" means a person, business, or other legal entity who operates or provides a covered platform.

8. "Purchase advertisements" means that an advertiser has paid a covered platform to display, promote, or otherwise disseminate content to users of such platform.

9. "User" means a user of a covered platform in New York state that is not acting as an operator or agent or affiliate of such operator for a covered platform or any portion thereof.

§ 1706. Prohibitions. 1. No covered platform shall materially contribute to the development of fraudulent content.

2. No covered platform shall recommend, promote, curate, prioritize, or display fraudulent content for delivery to a user if it knows or has reason to know that the content is fraudulent.

3. No covered platform shall fail to enforce such platform's published terms, policies, or community standards concerning fraudulent content where:

(a) users reasonably relied on specific representations in such terms regarding fraud prevention, detection, or removal; or

(b) such failure demonstrates systematic disregard for such platform's commitments to prevent fraud.

§ 1707. Mechanisms to prevent fraud. 1. (a) Covered platforms must provide an easily accessible mechanism for consumer users to report fraudulent content that consumer users believe to be fraudulent. Such mechanism shall allow consumer users to provide their identity, contact information, and a specific factual basis for such consumer user's belief that the content is fraudulent.

(b) Covered platforms must acknowledge receipt of such reports within three days.

2. Covered platforms shall implement reasonable measures to detect and prevent the creation of multiple accounts by the same individual for the purpose of disseminating fraudulent content, including:

(a) accounts created shortly after suspension or removal of another account that such platform had identified as disseminating fraudulent content, where such platform has reason to believe that such newly created account may be associated with or linked to such previously suspended or removed account;

(b) accounts that exhibit substantially similar patterns of fraudulent behavior to accounts previously suspended for disseminating fraudulent content; and

(c) coordinated networks of accounts promoting fraudulent content.

3. Covered platforms shall establish and maintain systems and procedures to track advertisers found to have disseminated fraudulent content. Covered platforms shall apply enhanced scrutiny to newly created accounts that share characteristics with accounts previously suspended or removed by such platform due to such account's dissemination of fraudulent content and shall take reasonable measures to

prevent users known by the platform to have created such previously suspended or removed accounts from purchasing future advertisements on such platforms.

§ 1708. Know your customer requirements. 1. Covered platforms shall use commercially reasonable and technically feasible methods to verify the identity of advertisers before allowing such advertisers to purchase advertisements on such platform. Such verification methods shall gather, at a minimum:

(a) the advertiser's legal name and physical address;

(b) the advertiser's email address and phone number;

(c) the advertiser's tax identification number or other government-issued identifier;

(d) to the extent applicable because the advertiser is a business entity, documentation establishing the legal existence of such entity, such as articles of incorporation, registration certificates, or equivalent documentation issued by a governmental authority; and

(e) a declaration of the nature of the product, service, or opportunity being advertised and type of industry such product, service, or opportunity may be categorized under.

2. Covered platforms shall verify methods of payment of an advertiser.

3. Covered platforms shall maintain records of the verification information described herein for a period of at least three years from the date of the advertiser's last purchase of an advertisement on such platform.

4. Covered platforms shall promptly provide any relevant advertiser information upon receipt of a valid subpoena or court order from a law enforcement agency in connection to an investigation of fraudulent activity.

§ 1709. Consumer transparency. 1. Covered platforms shall provide consumer users with information about advertisers on such platform, including the legal name of the advertiser, the country or jurisdiction where such advertiser is based, and how long the advertiser has maintained an account on the platform.

2. The information described in subdivision one of this section shall be viewable through direct display on the advertisement, a clearly visible link, button, icon, or other form of manifest disclosure, or through other reasonably accessible means.

§ 1710. Nondiscrimination. An operator shall not withhold, degrade, lower the quality, or increase the price of any product, service, or feature to a user due to such operator's obligations under this article.

§ 1711. Prohibition on dark patterns. 1. The reporting provisions in subdivision two of section seventeen hundred seven of this article and the consumer transparency provisions in section seventeen hundred nine of this article shall be presented in a clear and accessible manner to a user on a covered platform.

2. It shall be unlawful for such platform to deploy any mechanism or design which intentionally inhibits the purpose of this article or makes it more difficult for a consumer to exercise any of their rights under this article.

§ 1712. Exceptions. 1. Nothing in this article shall be interpreted or construed to impose liability in a manner that is inconsistent with 47 USC §230.

2. This article shall not apply to content that is transmitted through but not stored on a covered platform.

§ 1713. Remedies. 1. A violation of this article shall constitute an unfair, deceptive, or abusive act or practice under section three

hundred forty-nine of this chapter for the purposes of a right of action granted to the attorney general. Such violation shall be subject to all the investigatory and enforcement powers conferred upon the attorney general under such section.

2. Notwithstanding section three hundred fifty-d of this chapter, the attorney general may seek a civil penalty of up to five thousand dollars per violation per day that such violation continues. The attorney general may further seek restitution for users who suffered monetary harm due to a violation of this article as well as the recovery of reasonable attorneys' fees and costs.

§ 1714. Rulemaking authority. The attorney general may promulgate such rules and regulations as are necessary to effectuate and enforce the provisions of this article.

§ 3. Severability. If any clause, sentence, paragraph, subdivision, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the legislature that this act would have been enacted even if such invalid provisions had not been included herein.

§ 4. This act shall take effect on the one hundred eightieth day after it shall have become a law. Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such effective date.