STATE OF NEW YORK

5668

2025-2026 Regular Sessions

IN SENATE

February 27, 2025

Introduced by Sen. GONZALEZ -- 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 liability for false information provided by a chatbot

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 390-f to read as follows:

§ 390-f. Liability for chatbot responses. 1. As used in this section the following terms shall have the following meanings:

(a) "Artificial intelligence" means a machine-based system or combination of systems, that for explicit and implicit objectives, infers, from the input it receives, how to generate outputs such as predictions, content, recommendations, or decisions that can influence physical or virtual environments.

(b) "Chatbot" means an artificial intelligence system, software program, or technological application that simulates human-like conversation and interaction through text messages, audio, or a combination thereof to provide information and services to users.

(c) "Companion chatbot" means a chatbot that is designed to provide human-like interaction that simulates an interpersonal relationship with a user or group of users as its primary function, or uses previous user interactions when simulating an interpersonal relationship in future interactions. An interpersonal relationship shall include, but shall not be limited to, romantic, platonic, familial, adversarial, professional, official, therapeutic, or stranger relationships that are between the covered user and a fictional or non-fictional character or group of characters.

(d) "Covered user" means a user of a chatbot in New York.

(e) "Human-like" means any form of communication or interaction that approximates human behavior, including non-human behavior that could be

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

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attributed to a human actor, including but not limited to, a human actor role playing as a fictional non-human character, an animal, or other interactive entity.

(f) "Minor" means an individual under the age of eighteen.

(g) "Proprietor" means any person, business, company, organization, institution or government entity that owns, operates or deploys a chatbot used to interact with users. Proprietors shall not include third-party developers that license their technology to a proprietor.

2. (a) A proprietor of a chatbot that is used as an alternative to a human representative, or otherwise as an agent of the proprietor to provide any substantive response, information, advice, or action may not disclaim liability where a chatbot provides materially misleading, incorrect, contradictory or harmful information to a covered user that results in financial loss or other demonstrable harm to a covered user. No such liability shall be imposed where the proprietor has corrected the information and substantially or completely cured the harm to the covered user within thirty days of notice of such harm.

(b) The proprietor of a chatbot shall be responsible for ensuring such chatbot accurately provides information aligned with the formal policies, product details, disclosures and terms of service offered to covered users.

(c) A proprietor may not waive or disclaim this liability merely by notifying consumers that they are interacting with a non-human chatbot system.

3. A proprietor of a chatbot or another person or entity that directs the proprietor's chatbot to provide any substantive response, information, advice or action may not disclaim liability of any kind where a chatbot provides materially misleading, incorrect, contradictory or harmful information to a covered user that results in bodily harm to the covered user or any third party, including but not limited to any form of self-harm.

4. Proprietors utilizing chatbots shall provide clear, conspicuous and explicit notice to covered users that they are interacting with an artificial intelligence chatbot program rather than a human. The text of the notice shall appear in the same language and in a size easily readable by the average viewer and no smaller than the largest font size of other text appearing on the website on which the chatbot is utilized.

5. (a) A proprietor of a companion chatbot shall use commercially reasonable and technically feasible methods to (i) prevent such companion chatbot from promoting, causing or aiding self-harm, and (ii) determine whether a covered user is expressing thoughts of self-harm and, upon making such determination, such proprietor prohibits continued use of the companion chatbot for a period of at least twenty-four hours and prominently displays a means to contact a suicide crisis organization to such covered user.

(b) Where a proprietor of a companion chatbot fails to comply with the provisions of paragraph (a) of this subdivision, such proprietor shall be liable to covered users who inflict self-harm upon themselves, in whole or in part, as a result of such proprietor's companion chatbot promoting, causing or aiding the covered user to inflict self-harm.

(c) Irrespective of the proprietor's compliance with paragraph (a) of this subdivision, a proprietor shall be liable to covered users who inflict self-harm upon themselves, in whole or in part, where such proprietor:

(i) has actual knowledge that the companion chatbot is promoting, causing or aiding self-harm; or

(ii) has actual knowledge that a covered user is expressing thoughts of self-harm, fails to prohibit continued use of the companion chatbot for a period of at least twenty-four hours, and fails to prominently display a means to contact a suicide crisis organization to such covered user.

(d) A proprietor of a companion chatbot may not waive or disclaim liability under this subdivision.

6. (a) A proprietor of a companion chatbot shall use commercially reasonable and technically feasible methods to determine whether a covered user is a minor.

(b) Where such proprietor of a companion chatbot determines that a covered user is a minor pursuant to paragraph (a) of this subdivision, or has actual knowledge that a covered user is a minor, such proprietor shall:

(i) cease such covered user's use of the companion chatbot until such proprietor has obtained verifiable parental consent to provide a companion chatbot to such minor user; and

(ii) prohibit such covered user's continued use of the companion chatbot for a period of at least three days and prominently display a means to contact a suicide crisis organization to such covered user if, using commercially reasonable and technically feasible methods, such proprietor determines that, or has actual knowledge that, a covered user is expressing thoughts of self-harm.

(c) A proprietor shall be strictly liable for any harm caused where:

(i) such provider fails to comply with paragraphs (a) or (b) of this subdivision; and

(ii) a minor covered user inflicts self-harm upon themselves, in whole or in part, as a result of such proprietor's companion chatbot.

(d) A proprietor of a companion chatbot may not waive or disclaim liability under this subdivision.

7. A proprietor of a companion chatbot shall implement and engage in the ongoing implementation of commercially reasonable and technically feasible methods to discover vulnerabilities in the proprietor's system, including any methods used to determine whether a covered user is a minor.

8. (a) The attorney general shall promulgate regulations identifying commercially reasonable and technically feasible methods for proprietors of companion chatbots required under this section.

(b) In promulgating regulations related to the commercially reasonable and technically feasible methods for proprietors of companion chatbots to comply with this section, the attorney general shall consider the size, financial resources, and technical capabilities of the proprietor, the costs and effectiveness of available (i) age determination techniques for users of companion chatbots, (ii) techniques to prevent the promotion, aid, or encouragement of self-harm, (iii) techniques to determine whether a user is expressing thoughts of self-harm, and (iv) techniques to discover vulnerabilities in the proprietor's system. The attorney general shall also consider that prevalent practices of the industry of the proprietor and the impact of the techniques listed in subparagraphs (i) through (iv) of this paragraph on the user's safety, utility, and experience.

(c) Such regulations shall also identify the appropriate levels of accuracy that would be commercially reasonable and technically feasible for proprietors to achieve in determining (i) whether a user is a minor, (ii) whether the proprietor's companion chatbot is promoting, aiding, or

encouraging self-harm, and (iii) whether a user is expressing thoughts of self-harm.

9. Information collected for the purpose of determining a user's age under paragraph (a) of subdivision five of this section shall not be used for any purposes other than age determination and shall be deleted immediately after an attempt to determine a user's age, except where necessary for compliance with any applicable provisions of New York state or federal law or regulation.

10. The attorney general shall promulgate regulations identifying methods of obtaining verifiable parental consent pursuant to subparagraph (i) of paragraph (b) of subdivision six of this section.

11. Information collected for the purpose of obtaining verifiable parental consent shall not be used for any purpose other than obtaining such verifiable parental consent and shall be deleted immediately after an attempt to obtain verifiable parental consent, except where necessary for compliance with any applicable provisions of New York state or federal law or regulation.

12. Nothing in this section shall be construed as requiring any proprietor to give a parent who grants verifiable parental consent any additional or special access to or control over the data or accounts of their child.

§ 2. This act shall take effect one year after it shall have become a law.