STATE OF NEW YORK

7263--A

Cal. No. 434

2025-2026 Regular Sessions

IN SENATE

April 7, 2025

Introduced by Sens. GONZALEZ, HINCHEY, LIU, SALAZAR -- read twice and ordered printed, and when printed to be committed to the Committee on Internet and Technology -- recommitted to the Committee on Internet and Technology in accordance with Senate Rule 6, sec. 8 -- reported favorably from said committee, ordered to first and second report, ordered to a third reading, amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to amend the general business law, in relation to imposing liability for damages caused by a chatbot impersonating certain licensed professionals

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" shall have the same meaning as defined by section seventeen hundred of this chapter.

(b) "Generative artificial intelligence" shall have the same meaning as defined by section seventeen hundred of this chapter.

(c) "Chatbot" shall mean an artificial intelligence system, generative artificial intelligence, software program, or technological application that simulates human-like conversation in response to user inputs and interaction through text messages, voice commands, or a combination thereof to provide information and services to users.

(d) "Covered profession" shall mean a profession whose licensure is governed under articles one hundred thirty-one, one hundred thirty-three, one hundred thirty-five, one hundred thirty-six, one hundred thirty-seven, one hundred thirty-nine, one hundred forty-one, one hundred forty-three, one hundred forty-five, one hundred forty-seven,

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

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one hundred fifty-three, one hundred fifty-four, or one hundred sixty-three of the education law or article fifteen of the judiciary law.

(e) "Operator" shall mean any person, partnership, association, firm, or business entity, or any member, affiliate, subsidiary or beneficial owner of any partnership, association, firm, or business entity who owns, operates or deploys a chatbot used to interact with users. The term "operator" shall not include third-party developers that license their chatbot technology to an operator.

2. (a) An operator of a chatbot shall not knowingly permit such chatbot to impersonate an actual or fictitious practitioner of a covered profession in a manner that, if done by a natural person:

(i) would constitute a crime under section sixty-five hundred twelve or sixty-five hundred thirteen of the education law in relation to a covered profession; or

(ii) would violate the provisions of article fifteen of the judiciary law prohibiting the practice or appearance as an attorney-at-law without being admitted and registered under such article.

(b) For the purposes of establishing a violation of subparagraph (i) or (ii) of paragraph (a) of this subdivision, an operator shall be deemed to know that a chatbot cannot lawfully practice a covered profession or appear as an attorney-at-law.

(c) An operator shall not waive or disclaim liability under this section by notifying consumers that they are interacting with a non-human chatbot system.

(d) An operator shall not be liable under this section where the impersonation is a result of a user intentionally circumventing the terms of service or the safeguards implemented by the operator to prevent such impersonation.

3. Operators utilizing chatbots shall provide clear, conspicuous and explicit notice to users that they are interacting with an artificial intelligence chatbot program. The text of the notice shall appear in the same language the chatbot is using 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.

4. Whenever the attorney general shall believe from evidence satisfactory to them that an operator has engaged in or is about to engage in any of the acts or practices stated to be unlawful in this section, they may bring an action in the name and on behalf of the people of the state of New York to enjoin an operator from continuing such unlawful acts or practices, and may seek civil penalties of up to fifteen thousand dollars per day for a violation of this section, and may seek such other remedies as the court may deem appropriate.

5. The attorney general shall maintain a website to receive complaints, information or referrals from members of the public concerning violations of the provisions of this section.

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