STATE OF NEW YORK

8874

IN SENATE

January 13, 2026

Introduced by Sen. RHOADS -- 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 certain disclosures for use of artificial intelligence

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 399-m-1 to read as follows:

§ 399-m-1. Disclosures in use of artificial intelligence in customer services. 1. For the purposes of this section, the following terms shall have the following meanings:

(a) "Artificial intelligence" or "AI" means systems that are computer programs that can perform tasks that usually require human intelligence, such as understanding natural language, recognizing images, making decisions, and learning from data.

(b) "Point of interaction" means where a customer first encounters artificial intelligence, including, but not limited to, a chat window, chatbot, website footer, or email.

2. Any person, firm, partnership, association or corporation or agent or employee thereof shall disclose the use of artificial intelligence to influence customer interaction, including but not limited to: automated customer support; personalized ad targeting; product eligibility decisions; and AI-driven hiring tools.

3. Such disclosure shall be placed at the point of interaction with the customer, accompanied by a clear and conspicuous, in not less than twelve point bold faced type, plain-English description of the AI's role, with instructions on how to access human assistance, if applicable.

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

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

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