

S09381 • New York

Imposes liability for misleading, incorrect, contradictory or harmful information to a user by a chatbot that results in financial loss or other demonstrable harm.

Introduced

Risk: High

Comprehensive

Effective: Aug 12, 2024 | Last Action (May 14, 2024): REFERRED TO INTERNET AND TECHNOLOGY

Summary

This bill imposes liability on chatbot proprietors for misleading or harmful information that causes user financial loss or harm.

Business Impact

If you operate a chatbot in New York, you must ensure accurate information is provided or face liability for user harm.

Key Provisions

- Proprietors cannot disclaim liability for misleading chatbot information causing user harm.
- Liability can be avoided if harm is corrected within 30 days of notice.
- Proprietors must ensure chatbot information aligns with formal policies.
- Users must be clearly notified they are interacting with a chatbot.
- The notice must be in an easily readable format.
- Third-party developers are not considered proprietors under this bill.

Compliance Checklist

- Ensure chatbot provides accurate information | Who: Chatbot proprietors | Penalty: Liability for user harm
- Provide clear notice to users about chatbot interaction | Who: Chatbot proprietors | Penalty: Potential liability for misleading information

Industries Affected

Topics

User-Facing AI

Bill Sponsors

Name	Party	Role
GIANARIS		Primary
Kristen Gonzalez	Democratic/Working Families	Primary
Robert Jackson	Democratic/Working Families	Primary
Julia Salazar	Democratic/Working Families	Cosponsor

Related Bills

- S05668 (NY)
- A10494 (NY)
- A00222 (NY)
- S 5668 (NY)

Official Source

<https://www.nysenate.gov/legislation/bills/2023/S9381>

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