

S08874 • New York

Requires disclosure of the use of artificial intelligence in customer services at the point of interaction with the customer; defines terms.

Introduced

Risk: Medium

Comprehensive

Effective: May 12, 2026 | Last Action (Jan 13, 2026): REFERRED TO INTERNET AND TECHNOLOGY

Summary

This bill requires entities to disclose the use of AI in customer interactions at the point of contact, enhancing transparency across sectors.

Business Impact

If you use AI in customer service in New York, you must disclose its use at the point of interaction by the effective date or face penalties.

Key Provisions

- Defines 'artificial intelligence' and 'point of interaction'.
- Mandates disclosure of AI use in customer interactions.
- Requires clear communication of AI's role.
- Includes instructions for accessing human assistance.
- Takes effect 120 days after becoming law.

Compliance Checklist

- Disclose AI use at the point of interaction with customers | Who: All businesses using AI in customer service | Penalty: Potential legal repercussions for non-compliance
- Provide a clear description of AI's role in customer interactions | Who: All businesses using AI in customer service | Penalty: Potential legal repercussions for non-compliance

Industries Affected

Technology

Retail

Consumer Protection

Customer Service

Topics

AI Transparency

Comprehensive AI

User-Facing AI

Bill Sponsors

Name	Party	Role
Steven Rhoads	R	Sponsor

Official Source

<https://www.nysenate.gov/legislation/bills/2025/S8874>

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