
THIRD READING

Bill No: AB 2023
Author: Wicks (D) and Bauer-Kahan (D), et al.
Amended: 6/17/26 in Senate
Vote: 21

SENATE PRIV., DIGITAL TECH. & CONS. PROT. COMMITTEE: 7-1, 6/15/26
AYES: Cabaldon, Gonzalez, McNerney, Padilla, Reyes, Umberg, Wiener
NOES: Jones
NO VOTE RECORDED: Ochoa Bogh

SENATE JUDICIARY COMMITTEE: 13-0, 6/23/26
AYES: Umberg, Niello, Allen, Ashby, Caballero, Durazo, Laird, Reyes, Stern,
Valladares, Wahab, Weber Pierson, Wiener

SENATE APPROPRIATIONS COMMITTEE: 6-1, 8/13/26
AYES: Cervantes, Cabaldon, Dahle, Grayson, Richardson, Wahab
NOES: Seyarto

ASSEMBLY FLOOR: 66-8, 5/26/26 - See last page for vote

SUBJECT: Companion chatbots: children's safety

SOURCE: Author

DIGEST: This bill seeks to comprehensively regulate companion chatbots with regard to children's safety, including imposition of a series of obligations and restrictions on operators that make such chatbots available in California.

ANALYSIS:

Existing law:

- 1) Requires an operator to prevent a companion chatbot on its companion chatbot platform from engaging with users unless the operator maintains a protocol for preventing the production of suicidal ideation, suicide, or self-harm content to

the user, including, but not limited to, by providing a notification to the user that refers the user to crisis service providers, including a suicide hotline or crisis text line, if the user expresses suicidal ideation, suicide, or self-harm. Requires an operator to publish details on this protocol on the operator's website. (Business and Professions Code [Bus. & Prof. Code] § 22602(b).)

- 2) Requires an operator, if a reasonable person interacting with a companion chatbot would be misled to believe that the person is interacting with a human, to issue a clear and conspicuous notification indicating that the companion chatbot is artificially generated and not human. (Bus. & Prof. Code § 22602(a).)
- 3) Requires an operator, for a user that the operator knows is a minor, to do all of the following:
 - a) Disclose to the user that the user is interacting with AI.
 - b) Provide by default a clear and conspicuous notification to the user at least every three hours for continuing companion chatbot interactions that reminds the user to take a break and that the companion chatbot is artificially generated and not human.
 - c) Institute reasonable measures to prevent its companion chatbot from producing visual material of sexually explicit conduct or directly stating that the minor should engage in sexually explicit conduct. (Bus. & Prof. Code § 22602(c).)
- 4) Defines the relevant terms, including:
 - a) "Companion chatbot" means an AI system with a natural language interface that provides adaptive, human-like responses to user inputs and is capable of meeting a user's social needs, including by exhibiting anthropomorphic features and being able to sustain a relationship across multiple interactions. However, there are several exemptions included.
 - b) "Companion chatbot platform" means a platform that allows a user to engage with companion chatbots.
 - c) "Operator" means a person who makes a companion chatbot platform available to a user in the state. (Bus. & Prof. Code § 22601.)
- 5) Requires an operator, beginning July 1, 2027, to annually report to the Office of Suicide Prevention specified information, which shall not include any

identifiers or personal information about users. Requires the Office of Suicide Prevention to post data from the reports on its website. (Bus. & Prof. Code § 22603.)

- 6) Requires an operator to disclose to a user of its platform that companion chatbots may not be suitable for some minors, as provided. (Bus. & Prof. Code § 22604.)
- 7) Provides that a person who suffers injury in fact as a result of a violation of this chapter may bring a civil action to recover all of the following relief:
 - a) Injunctive relief.
 - b) Damages in an amount equal to the greater of actual damages or \$1,000 per violation.
 - c) Reasonable attorney's fees and costs. (Bus. & Prof. Code § 22605.)
- 8) Establishes the Digital Age Assurance Act, which requires a developer to request a signal with respect to a particular user from an operating system provider or a covered application store when the application is downloaded and launched. A developer that receives such a signal is deemed to have actual knowledge of the age range of the user to whom that signal pertains across all platforms of the application and points of access of the application even if the developer willfully disregards the signal. (Civil [Civ.] Code § 1798.501(b).)

This bill:

- 1) Requires “operators,” those who make a companion chatbot available to a user in the state, to verify the age of users consistent with the Digital Age Assurance Act, except as provided.
- 2) Imposes a series of obligations on operators to complete by July 1, 2027, including:
 - a) Perform annual, comprehensive risk assessments to identify any child safety risks posed by the design, configuration, and operation of the companion chatbot, which shall assess specified factors.
 - b) Take and document measures that reasonably mitigate any child safety risk.
 - c) Publish and update a child safety policy.

- d) Implement a documented crisis response protocol to mitigate any material risk that the companion chatbot will generate a statement that promotes suicidal ideation, suicide, or self-harm content to a child user, as specified.
 - e) Implement safeguards for child users that include usage reminders and disclosures, age-appropriate risk prompts, and other protective design features reasonably related to documented child safety risks.
 - f) Implement default settings that can only be changed by a parent, including, among others, push notification limitations and time limits.
 - g) Establish a mechanism for providing notice to a child user that the child is interacting with, or receiving content generated by, an AI system that meets specified criteria.
 - h) Implement measures that prevent the chatbot from engaging in certain specified behavior, such as encouraging children to self-harm or to cause certain harms to others; providing health advice; engaging in obscene matter; discouraging a child from certain healthy behaviors; advertising products during conversation; and producing overly sycophantic responses.
 - i) Implement parental controls, as specified, including ability to set preferences and time limits and to disable access for children under 16.
 - j) Create an interface design that ensures the companion chatbot's features and controls are accessible and clear so that children and parents can reasonably locate, understand, and use those protections. The design shall be annually tested to ensure compliance.
 - k) Establish a public incident reporting mechanism that enables a third party to report directly to the operator an incident regarding a child safety risk and to access other reports made through that reporting mechanism.
- 3) Prohibits the following actions by an operator:
- a) Targeting advertising at a child using data about the child, including through product placement in conversational chats with the child.
 - b) Selling, sharing, or using the personal information of a child for any purpose not expressly authorized.
 - c) Designing, implementing, or deploying a user interface design, feature, or technique that is likely to mislead, impair, or interfere with a reasonable

child's or reasonable parent's autonomy, decision-making, or choice or with the ability to locate, understand, enable, or maintain a safety feature, privacy control, or parental control.

- 4) Requires the Attorney General (AG), on or before January 1, 2028, to adopt regulations regarding annual auditing of operators, including eligibility and standards to ensure auditor independence, procedures for auditors to assess compliance, and requirements for AI child safety audit reports.
- 5) Requires operators, within 180 days of the above regulations being promulgated and annually thereafter, to submit to an independent audit and to submit an AI child safety audit report to the AG thereafter. The report is confidential and the AG cannot disclose details, except as provided.
- 6) Requires the AG to do the following:
 - a) Establish a public incident reporting mechanism for consumers to submit complaints relating to companion chatbots to the AG.
 - b) Establish a process for qualified researchers to access anonymized and aggregated audit data for academic study of child safety in companion chatbots.
 - c) Beginning January 1, 2028, issue an annual public report that includes specified components, including a high-level summary of each audit report, findings and trends, data on compliance rates and deficiencies, and recommendations for operators, parents, and policymakers.
- 7) Authorizes a public prosecutor to bring a civil action for violations seeking specified remedies, including civil penalties per violation. A child who suffers actual harm may also bring a civil action for actual damages and other relief.
- 8) Defines the relevant terms, including:
 - a) "Child safety policy" means a public-facing document describing protective measures taken by an operator to mitigate identified child safety risks.
 - b) "Child safety risk" means a reasonably foreseeable risk of a covered harm to a child.
 - c) "Companion chatbot" has the meaning defined in Section 22601.

- d) “Covered harm” means any of the following harms proximately caused by the use of a companion chatbot:
- i) Reasonably foreseeable physical or financial harm.
 - ii) Severe and reasonably foreseeable psychological or emotional harm to a reasonable child.
 - iii) A highly offensive intrusion on privacy rights protected by state or federal law.
 - iv) Adverse discrimination in violation of state or federal law.

Background

AI companion chatbots created through generative AI have become increasingly prevalent. They seek to offer consumers the benefits of convenience and personalized interaction. These chatbots are powered by large language models that generally learn intimate details and preferences of users based on their interactions and user customization. Millions of consumers use these chatbots as friends, mentors, and even romantic partners.

Many studies and reports point to the addictive nature of these chatbots and call for more research into their effects and for meaningful guardrails. Increasing the urgency of such efforts, several high-profile incidents resulting in users harming themselves and even committing suicide have been reported in the last few years. This bill, and a companion bill, SB 1119 (Padilla, 2026), establish a framework for protecting children from these harms and empowering parents with proper tools to protect their own children. This bill lays out a series of obligations on operators and prohibits specified conduct. Operators must submit to annual independent audits and reporting by the AG is required. Public prosecutors and children harmed by violations are authorized to bring civil actions.

This bill is author-sponsored. It is supported by the Los Angeles Unified School District and other advocacy groups. It is opposed by various industry associations, including the California Chamber of Commerce. For a more thorough discussion of this bill, please see the Senate Privacy, Digital Technologies, and Consumer Protection Committee analysis, which is incorporated herein by reference.

Comment

According to the author:

As the technological landscape continues to develop and rapidly grow, AI chatbots have become increasingly mainstream and more accessible and present new risks and harms to users, especially children. Our kids are navigating this new technology in real time without sufficient guardrails in place to protect them. To provide safeguards for children as they navigate these products, AB 2023 would require that chatbot companies provide meaningful guardrails to ensure that these products are safe for kids.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

According to the Senate Appropriations Committee:

\$1.9 million in FY 2026-27, \$4 million in FY 2027-28, \$5.2 million in FY 2028-29, \$4.9 million in FY 2029-30, \$4.2 million annually thereafter to the Department of Justice for the Consumer Protection Section of the Public Rights Division, Public Inquiry Unit within the Directorate Division and Office of General Counsel. Information technology upgrades to the California Justice Information Services (CJIS) would be needed. (Unfair Competition Law Fund, General Fund)

Unknown, significant to major cost pressure to the courts to the extent there are additional civil filings for new violations created by this bill. Actual costs would depend on the number of operators in the state, violations and the amount of court time required for each action. Although courts are not funded based on workload, increased pressure on the Trial Court Trust Fund may create a demand for increased funding for courts. The FY 2026-07 Budget appropriated \$70 million General Fund for support of the courts. (Trial Court Trust Fund, General Fund)

SUPPORT: (Verified 8/14/26)

American Association of University Women, California
California Catholic Conference
California Initiative for Technology and Democracy
Common Sense Media
Los Angeles Unified School District
Omidyar Network
Project Liberty LLC
Transparency Coalition.AI

OPPOSITION: (Verified 8/14/26)

American Innovators Network
California Chamber of Commerce

California Society of Certified Public Accountants (CALCPA)
Civil Justice Association of California (CJAC)
Computer & Communications Industry Association
Insights Association
Software Information Industry Association

ARGUMENTS IN SUPPORT: The Los Angeles Unified School District writes in support:

With its comprehensive framework for mitigating a broad array of potential chatbot-linked harms to minors, AB 2023 institutes or expands on meaningful guardrails including age verification technology, parental controls and oversight, and restrictions on targeted advertising through conversational chats. The measure further adds assurances that interventions are working as intended by requiring the chatbot operators to submit to independent 3rd party audits and establishing clear and enforceable legal oversight by state and local entities.

As generative AI technology rapidly spreads into countless aspects of work, education, and daily life, unregulated chatbots pose significant risks to vulnerable users such as children, who are still developing the critical and analytical faculties adults take for granted. Because chatbots mimic human interaction children may perceive chatbot interactions as having human-like knowledge, intentions, and authority, which can lead them to trust and follow recommendations even when those systems produce inaccurate or harmful responses.

ARGUMENTS IN OPPOSITION: A coalition of groups, including the California Chamber of Commerce, identify a number of areas they would like to see amended, including defining the relevant harms, the liability structure, and the restrictions on selling, sharing, or using children's personal information. As to the auditing provisions, the coalition argues:

AB 2023's auditing provisions give rise to a host of concerns regarding unclear audit standards, a limited pool of qualified auditors, protections for sensitive business information, and broad AG disclosure authority, including to "qualified researchers". Without more objective statutory standards, audit findings may vary significantly across auditors, reducing their reliability and utility for both regulators and operators.

While third-party audits can play a role in compliance frameworks, they also impose significant costs and may not reliably advance safety objectives for AI systems. Audits are most effective when conducted against clear, objective standards, which are not generally suited to trying to evaluate a

complex issue like the effects a platform has on minors. Here, auditors may be asked to evaluate highly subjective concepts such as emotional harm, autonomy, decisionmaking, and excessively sycophantic behavior. These are inherently difficult assessments that remain the subject of ongoing academic debate.

ASSEMBLY FLOOR: 66-8, 5/26/26

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, Elhawary, Fong, Gabriel, Garcia, Gipson, Jeff Gonzalez, Mark González, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Kalra, Krell, Lee, Lowenthal, McKinnor, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Valencia, Ward, Wicks, Wilson, Zbur, Rivas

NOES: DeMaio, Dixon, Ellis, Hadwick, Johnson, Macedo, Ta, Tangipa

NO VOTE RECORDED: Flora, Gallagher, Lackey, Muratsuchi, Celeste Rodriguez, Wallis

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