

Date of Hearing: August 5, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

SB 1119 (Padilla) – As Amended June 25, 2026

Policy Committee:	Judiciary	Vote:	10 - 1
	Privacy and Consumer Protection		12 - 2

Urgency: No State Mandated Local Program: No Reimbursable: No

SUMMARY:

This bill establishes a framework for child safety in companion chatbots, requiring operators to either verify users' ages or apply child-protective measures to all users, conduct annual risk assessments, implement default settings and parental controls, prevent specified harmful content, submit to annual independent audits, and provide enforcement through public prosecutor and private rights of action.

More specifically, this bill:

- 1) Requires operators to either verify users' ages pursuant to the Digital Age Assurance Act (Civil Code Section 1798.500 *et seq.*) or apply the bill's child-protective measures to all users.
- 2) Requires operators, by July 1, 2027, to conduct and document annual comprehensive risk assessments of child safety risks, take and document mitigation measures, and publish a child safety policy.
- 3) Requires operators to implement crisis response protocols (including parental notification within 12 hours of a substantial risk of covered harm to a connected child account), default settings changeable only by a parent (including ephemeral mode, push notification restrictions, and conversation and daily time limits), parental controls (including the ability to disable access for children under 16), AI-disclosure notices, annually tested interface designs, and a public incident reporting mechanism.
- 4) Prohibits the chatbot from encouraging self-harm, suicidal ideation, narcotics or alcohol consumption, or disordered eating; from attempting to diagnose or treat health conditions (unless FDA-regulated); from engaging in obscene matter or sexual abuse material; from claiming sentience or humanity; from soliciting in-app purchases or facilitating advertising during chats; and from producing excessively sycophantic responses.
- 5) Prohibits operators from targeting advertising at children using data about the child, selling or sharing children's personal information, or designing user interfaces likely to interfere with parental controls or safety features.
- 6) Requires operators to submit to annual independent audits beginning 180 days after the Attorney General (AG) adopts implementing regulations, requires audit reports be submitted to the AG (and kept confidential), and requires the AG to adopt regulations governing audits,

establish a public incident reporting mechanism, establish a researcher access process, and issue an annual public report on chatbot child safety beginning January 1, 2028.

- 7) Authorizes public prosecutors to bring civil actions for civil penalties of up to \$5,000 per affected child for negligent violations, \$15,000 per affected child for intentional violations, plus punitive damages, injunctive or declaratory relief, and attorney's fees.
- 8) Authorizes children who suffer actual harm (or parents on their behalf) to bring private civil actions for actual and punitive damages, injunctive relief, and attorney's fees.

FISCAL EFFECT:

- 1) Costs of approximately up to \$5 million (General Fund (GF) and Unfair Competition Law Fund (UCL Fund)) to the Department of Justice (DOJ), reflecting eighteen permanent positions phased in between January 1, 2027, and July 1, 2028, along with limited-term rulemaking hours and consultant costs. DOJ reports that it could not absorb these costs within existing budgeted resources. DOJ anticipates resources, as follows:
 - a) Within the Public Rights Division, the Consumer Protection Section would add one supervising deputy attorney general, three deputy attorneys general, three legal secretaries, one analyst, one investigative auditor, and one information technology specialist, along with \$350,000 annually in external expert costs, to investigate and enforce violations (UCL Fund).
 - b) Within the Office of General Counsel, the Legal Unit would use 500 hours collectively from one supervising deputy attorney general, one deputy attorney general, and one analyst across fiscal years 2026-27 and 2027-28 to support rulemaking, and the Research Services Branch would add one research data supervisor, two research data specialists, and three research data analysts beginning January 1, 2028 to facilitate researcher access to audit data and to prepare the annual public report.
 - c) The Public Inquiry Unit within the Directorate Division would add one analyst for complaint intake and report coordination.
 - d) Within California Justice Information Services, the Application Development Bureau would add one information technology specialist beginning July 1, 2028, along with a project manager consultant and a business analyst consultant, to integrate the California Department of Technology's Digital Identity framework with the AG's public website (GF).

Notably, the bill's mandatory duties on DOJ are the rulemaking, receipt and confidential maintenance of audit reports, and the annual public report beginning January 1, 2028. Enforcement is discretionary and is not exclusive to the AG, since the bill authorizes any public prosecutor to bring an action and separately preserves a private right of action for a child who suffers actual harm. The resources needed to support enforcement would therefore depend on how the AG exercises that discretion relative to local prosecutors and private plaintiffs.

- 2) Cost pressures (Trial Court Trust Fund, General Fund) of an unknown but potentially significant amount to the courts to adjudicate civil enforcement actions and cases filed under

the private right of action created by this bill. Actual costs will depend on the number of cases filed and the amount of court time needed to resolve each case. It generally costs approximately \$1,000 to operate a courtroom for one hour. Although courts are not funded on the basis of workload, increased pressure on the Trial Court Trust Fund may create a demand for increased funding for courts from the General Fund. The state budget provides annual General Fund backfills to the Trial Court Trust Fund to offset revenue reductions, totaling approximately \$117.3 million in 2025-26.

COMMENTS:

1) **Purpose.** According to the author:

Companion chatbots are a powerful tool designed to capture young people's attention and hold it at the expense of their real-world relationships. As the author of California's nation-leading safeguards, it is vital we build upon them and ensure that these technological advances don't come at the cost of our children's well-being. These protections keep California at the forefront of this conversation, striking an important balance of prioritizing the safety of our children, while allowing for the innovation that has made California the tech capitol of the world.

2) **Background.** SB 243 (Padilla), Chapter 677, Statutes of 2025, authored by this bill's author, requires chatbot platforms to establish protocols for suicidal ideation and self-harm, disclose that minors are interacting with AI, provide periodic break reminders, and prevent sexually explicit material. AB 1064 (Bauer-Kahan, 2025) would have prohibited making available to minors companion chatbots foreseeably capable of specified harmful behaviors; the Governor vetoed AB 1064 but committed to building on the SB 243 framework. Earlier this year, Common Sense Media and OpenAI introduced a ballot initiative for comprehensive chatbot regulation; that effort has been paused, and this bill (along with AB 2023 by Assemblymember Wicks) seeks to enact comparable protections through the legislative process. This bill establishes a substantially more comprehensive child safety framework than SB 243, including risk assessments, default settings, parental controls, prohibited outputs, third-party audits, and dual public/private enforcement. The bill builds on the age-verification infrastructure created by AB 1043 (Wicks), Chapter 675, Statutes of 2025 — operators may use AB 1043 age signals or apply child-protective measures to all users. In analyzing this bill, the Assembly Committees on Judiciary and Privacy and Consumer Protection explored possible First Amendment implications. To the extent this bill is challenged in court, any defense costs will be borne by the Department of Justice.

3) **Support and Opposition.** Supporters, including Common Sense Media, argue chatbots present documented and growing risks to children, including suicide, self-harm, sexual exploitation, and "chatbot psychosis," and that comprehensive regulation is essential. Opponents, led by the California Chamber of Commerce and TechNet, have an oppose-unless-amended position, arguing the bill's audit and risk assessment requirements are overly prescriptive and burdensome, the definition of psychological harm to a "reasonable child" is difficult to operationalize, and the liability framework is excessively punitive. TechNet separately argues the bill should be harmonized with SB 243, which imposes overlapping notification, crisis protocol, and content standards that are not yet fully in effect. The

American Innovators Network opposes the bill, arguing its audit and risk assessment requirements impose disproportionate costs on startups.

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