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UNFINISHED BUSINESS

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Bill No: SB 243  
Author: Padilla (D) and Becker (D), et al.  
Amended: 9/4/25  
Vote: 21

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SENATE JUDICIARY COMMITTEE: 12-0, 4/8/25

AYES: Umberg, Niello, Allen, Arreguín, Ashby, Caballero, Durazo, Laird, Stern, Wahab, Weber Pierson, Wiener

NO VOTE RECORDED: Valladares

SENATE HEALTH COMMITTEE: 8-0, 4/30/25

AYES: Menjivar, Durazo, Gonzalez, Limón, Padilla, Richardson, Weber Pierson, Wiener

NO VOTE RECORDED: Valladares, Grove, Rubio

SENATE APPROPRIATIONS COMMITTEE: 5-0, 5/23/25

AYES: Caballero, Cabaldon, Grayson, Richardson, Wahab

NO VOTE RECORDED: Seyarto, Dahle

SENATE FLOOR: 28-5, 6/3/25

AYES: Allen, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Cortese, Durazo, Gonzalez, Laird, Limón, McGuire, McNerney, Menjivar, Niello, Padilla, Pérez, Richardson, Rubio, Smallwood-Cuevas, Stern, Umberg, Wahab, Weber Pierson, Wiener

NOES: Alvarado-Gil, Choi, Grove, Jones, Strickland

NO VOTE RECORDED: Dahle, Grayson, Hurtado, Ochoa Bogh, Reyes, Seyarto, Valladares

ASSEMBLY FLOOR: 59-1, 9/10/25 - See last page for vote

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**SUBJECT:** Companion chatbots

**SOURCE:** Author

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**DIGEST:** This bill imposes a number of obligations on operators of “companion chatbot platforms” in order to safeguard users.

*Assembly Amendments* significantly narrow the requirements imposed by the bill, include exemptions for certain products, eliminate third-party auditing requirements, and delay the operative date.

**ANALYSIS:**

Existing law:

- 1) Provides a right to free speech and expression. (U.S. Const., 1st amend; Cal. Const., art 1, § 2.)
- 2) Prohibits an operator of an addictive internet-based service or application from providing an addictive feed to a user unless specified conditions are met. (Health & Safety (Saf.) Code § 27001.)<sup>1</sup>
- 3) Defines “addictive feed” as an internet website, online service, online application, or mobile application, or a portion thereof, in which multiple pieces of media generated or shared by users are, either concurrently or sequentially, recommended, selected, or prioritized for display to a user based, in whole or in part, on information provided by the user, or otherwise associated with the user or the user’s device, unless specified conditions are met. (Health & Saf Code § 27000.5.)
- 4) Establishes the California Age-Appropriate Design Code Act, placing a series of obligations and restrictions on businesses that provide online services, products, or features likely to be accessed by children. (Civil (Civ.) Code § 1798.99.28 et seq.)<sup>2</sup>

This bill:

- 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.

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<sup>1</sup> This law is the subject of ongoing litigation and has been enjoined.

<sup>2</sup> This law is the subject of ongoing litigation and has been enjoined.

Requires an operator to publish details on this protocol on the operator's website.

- 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.
- 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
- 4) Defines the relevant terms, including:
  - a) "Companion chatbot" means an artificial intelligence 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.
- 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.
- 6) Requires an operator to disclose to a user of its platform that companion chatbots may not be suitable for some minors, as provided.

- 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.
- 8) Includes a severability clause and clarifies that the duties, remedies, and obligations imposed are cumulative to the duties, remedies, or obligations imposed under other law and shall not be construed to relieve an operator from any duties, remedies, or obligations imposed under any other 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.

However, there is increasing concern about their effects on users, including impacts on mental health and real-world relationships. 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 year.

This bill seeks to address the issues by requiring operators of “companion chatbot platforms” that allow users to engage with chatbots to maintain certain protocols aimed at preventing some of the worst outcomes and, only when the user is known to the operator to be a minor, to make certain disclosures and to institute reasonable measures to prevent such things as sexually explicit material from being produced or from “directly stating that the minor should engage in sexually explicit conduct.” A report is required to be sent annually to the Office of Suicide Prevention. Violations are subject to civil enforcement by those injured.

This bill is author-sponsored. It is supported by several organizations, including the National AI Youth Council and the California State Association of Psychiatrists. It is opposed by industry groups and the Electronic Frontier Foundation.

**Comment**

According to the author:

The advancement of artificial intelligence technology will fundamentally reshape our world. While the benefits of AI are great, its proliferation also poses grave risks to our health and safety. This has been the case with the rise of companion chatbots. According to experts, AI companion chatbots are uniquely addictive and can pose a significant risk to users—especially children who are more vulnerable to the isolating and addictive nature of these bots.

When a teenager in Florida tragically ended his life after forming an unhealthy emotional attachment to a companion chatbot, it became evident just how dangerous this technology can be for children. This is one of many cases that have raised concerns about the potential risks of unregulated companion AI interactions with minors. As AI innovation progresses rapidly, our laws are falling behind and we lack the necessary safeguards to ensure that this technology is developed responsibly. SB 243 would ensure that chatbots on the market are safe and transparent, and that companies are accountable for the products that they create.

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

According to the Senate Appropriations Committee:

- State Department of Public Health: Unknown, potentially significant workload costs pressures (General Fund) to the State Department of Public Health to collect and post data annually as required by this bill.
- Trial Court: Unknown, potentially significant cost to the state funded trial court system (Trial Court Trust Fund, General Fund) to adjudicate civil actions. By creating a new private cause of action that allows for the recovery of statutory damages, this bill may encourage additional case filings that otherwise would not have been commenced. Creating new causes of action could lead to lengthier and more complex court proceedings with attendant workload and resource costs to the court. The fiscal impact of this bill to the courts will depend on many unknown factors, including the number of cases filed and the factors unique to each case. An eight-hour court day costs approximately \$10,500 in staff in workload. If court days exceed 10, costs to the trial courts could reach hundreds of thousands of dollars. In 2023–24, over 4.8 million cases were filed statewide in the superior courts. Filings increased over the past

year, driven mostly by misdemeanors and infractions, and civil limited cases. The increase in filings from the previous year is greater than 5% for civil limited and unlimited, appellate division appeals, juvenile delinquency, misdemeanors and infractions, and probate. While the courts are not funded on a workload basis, an increase in workload could result in delayed court services and would put pressure on the General Fund to fund additional staff and resources and to increase the amount appropriated to backfill for trial court operations. The Governor's 2025-26 budget proposes a \$40 million ongoing increase in discretionary funding from the General Fund to help pay for increased trial court operation costs beginning in 2025-26.

According to the Assembly Appropriations Committee:

- Minor and absorbable costs (General Fund) to the California Department of Public Health (CDPH) for the Office of Suicide Prevention to collect and publish the required data. CDPH reports it can handle this responsibility with its existing personnel.
- Cost pressures (Trial Court Trust Fund, General Fund) of an unknown but potentially significant amount to the courts to adjudicate cases filed under the new cause 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 fiscal year 2025-26 state budget provides \$82 million ongoing General Fund to the Trial Court Trust Fund for court operations.

**SUPPORT:** (Verified 9/10/25)

California Initiative on Technology and Democracy  
California State Association of Psychiatrists  
National AI Youth Council

**OPPOSITION:** (Verified 9/10/25)

California Chamber of Commerce  
Civil Justice Association of California  
Computer & Communications Industry Association  
Electronic Frontier Foundation  
Technet

**ARGUMENTS IN SUPPORT:** The California State Association of Psychiatrists writes:

As artificial intelligence continues to evolve, it is essential to ensure that chatbot platforms used by minors do not inadvertently contribute to harmful behaviors, including excessive engagement, addiction-like responses, and exposure to mental health risks. SB 243 . . . ensures that chatbot platforms provide clear notifications reminding users that chatbots are artificially generated and not human.

Of particular importance, SB 243 introduces an annual reporting requirement for chatbot platform operators to track and report instances of suicidal ideation detected among minor users. By gathering this data, policymakers and mental health professionals will be better equipped to understand the potential impact of chatbot interactions on youth mental health.

**ARGUMENTS IN OPPOSITION:** The Electronic Frontier Foundation argues:

Section 22602(a) prohibits chatbot operators from offering rewards to any user “at unpredictable intervals or after an inconsistent number of actions or from encouraging increased engagement, usage, or response rates.” A blanket restriction on this type of speech would be subject to strict scrutiny. That is, the government must have a compelling interest to justify this speech restriction, and the restriction must be narrowly tailored to further the government’s interest. We understand that this language reflects a concern about “addiction” to online services. However, it is not clear that addiction to chatbots (as defined) is of such a magnitude as to warrant government intervention by preventing all users, especially adults, from experiencing chatbots in this way.

Similarly, Section 22602(c), which requires that a chatbot operator have a “protocol for addressing suicidal ideation, suicide, or self-harm expressed by a user” would also be considered a regulation based on the content of speech, and thus subject to strict scrutiny. The content of speech here being suicidal ideation, suicide, or self-harm. The government likely has a compelling interest in preventing suicide. But this regulation is not narrowly tailored or precise: what counts as a legally sufficient “protocol” to avoid civil penalties is wide ranging

and vague, especially so given the “including, but not limited to” language.

Finally, Section 22605 requires chatbot operators to disclose to users “that chatbots may not be suitable for some minors.” This section assumes that all chatbots (as defined) pose risks to minors, when in fact chatbots are only as “good” or “bad” as their programming and training data, and even then, what is “good” or “bad” may be subjective. This disclosure mandate is overbroad and would not pass constitutional muster.

Ayes: Addis, Aguiar-Curry, Ahrens, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Connolly, Davies, Dixon, Elhawary, Fong, Gabriel, Garcia, Gipson, Mark González, Haney, Harabedian, Hart, Irwin, Jackson, Kalra, Krell, Lee, Lowenthal, McKinnor, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ward, Wicks, Wilson, Rivas Noes: DeMaio No Vote Recorded: Alanis, Castillo, Chen, Ellis, Flora, Gallagher, Jeff Gonzalez, Hadwick, Hoover, Johnson, Lackey, Macedo, Muratsuchi, Nguyen, Petrie-Norris, Ta, Tangipa, Valencia, Wallis, Zbur

Prepared by: Christian Kurpiewski / JUD. / (916) 651-4113  
9/11/25 10:02:12

\*\*\*\* END \*\*\*\*