

- 1) **Purpose.** According to the author, artificial intelligence (AI) toys with chatbot capabilities are being marketed to children as young as three in the form of teddy bears, robots, and dolls, and have already proven unsafe — including instances of toys providing explicit content and unsafe information to children. The author states that SB 867 establishes a four-year moratorium on the sale and manufacturing of these toys to allow safety regulations time to catch up before the products reach children.
- 2) **Background. *Companion chatbots and SB 243.*** A companion chatbot is an AI system with a natural language interface that provides adaptive, human-like responses and is designed to sustain a relationship across multiple interactions, often by exhibiting anthropomorphic features. Unlike traditional scripted chatbots, companion chatbots built on large language models generate novel responses and are designed to maximize user engagement, a tendency that can produce overly validating or “sycophantic” responses ill-suited to vulnerable users. Several high-profile incidents have linked companion chatbots to serious user harm, including the deaths of minors who had formed sustained attachments to these systems.

SB 243 (Padilla), Chapter 677, Statutes of 2025, responded to these concerns by imposing obligations on operators of companion chatbot platforms, including disclosure requirements, protocols addressing suicidal ideation and self-harm content, heightened protections for users known to be minors, and annual reporting to the Office of Suicide Prevention. SB 243 also established a private right of action, under Business and Professions Code Section 22605, allowing a person injured by a violation to recover injunctive relief, actual or statutory damages, and reasonable attorney’s fees and costs. SB 867 builds on the SB 243 framework.

Toy chatbots as an emerging child-safety concern. Conversational toys are not new, but earlier products relied on pre-scripted dialogue. Today’s toy chatbots instead run on large language models, allowing a toy to respond to nearly any question a child poses and exposing children to content that may not be developmentally appropriate. A 2025 report by the U.S. Public Interest Research Group evaluated four commercially available toy chatbots — three of which relied on a version of OpenAI’s models — and found inconsistent safeguards, including a stuffed-toy chatbot that provided children with information on locating hazardous household objects and that engaged in sexually explicit conversation. Supporters note that many such toys are marketed for children as young as three, while the underlying model providers restrict use by young children, raising questions about appropriate marketing. The bill’s proponents frame the four-year moratorium as a precautionary pause to allow safety standards, transparency requirements, and consumer protections to develop.

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