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New California 'Companion Chatbot' Law Imposes Disclosure, Safety Protocol and Annual Reporting Requirements

Executive Summary

- **What's new:** A new California law regulates the provision of "companion chatbots," AI-systems that create a human-like social experience for users. The law mandates disclosures to users that they are interacting with a companion chatbot, requires operators to implement safety protocols to prevent the dissemination of certain harmful content and calls for annual reports to the Office of Suicide Prevention.
- **Why it matters:** This legislation is the first federal or state law addressing companion chatbots, a rapidly growing use of AI. The law is designed to protect users — especially minors — from being misled about the nature of their interactions and from exposure to potentially harmful or inappropriate content.
- **What to do next:** Given the potential for civil damages claims, operators of companion chatbots should ensure they promptly come into compliance with the law. That may include revising and updating disclosures and implementing safety protocols.

California has enacted [Senate Bill No. 243 \(SB 243\)](#), establishing the first comprehensive state law specifically regulating "companion chatbots" — artificial intelligence (AI) systems designed to provide adaptive, human-like social interactions. Key provisions include mandatory disclosure that users are interacting with such chatbots, implementation of protocols to prevent the dissemination of harmful content (such as relating to suicide or self-harm, or sexually explicit material), and annual reports to state authorities.

The law applies to any operator making companion chatbot platforms available to users in California, with certain requirements taking effect immediately and others phased in by July 1, 2027.

Summary of Requirements

This legislation, signed by the governor on October 13, 2025, represents a significant step in regulating this rapidly growing use of AI. The law is designed to protect users — especially minors — from being misled about the nature of their interactions and from exposure to potentially harmful or inappropriate content. Given the opportunity for civil claims and potentially steep damages, operators of companion chatbots should ensure they promptly come into compliance with the law.

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Companion Chatbots Defined

Companion chatbots are defined as AI systems with a natural language interface that provide adaptive, human-like responses to user inputs, and are capable of meeting a user's social needs, "including by exhibiting anthropomorphic features and being able to sustain a relationship across multiple interactions."

Scope of Coverage

The law applies to any person that makes a companion chatbot platform available to users in California ("operators"), but excludes chatbots used solely for customer service, business operations, video game interactions (provided the chatbot can only engage in discussions about the game) and stand-alone consumer electronic devices that do not sustain ongoing relationships or elicit emotional responses.

Disclosure Requirements

- If a reasonable person could be misled to believe they are interacting with a human, operators must provide a clear and conspicuous notification that the chatbot is artificially generated and not human. The law does not clarify how this reasonable person test should be applied, but given the potential for civil claims, companies may want to take a conservative approach and provide this disclosure even if they believe many consumers will realize they are not interacting with a human.
- When interacting with users known to be minors, operators must disclose to the user that they are interacting with AI, and then provide a clear and conspicuous notification at least every three hours during ongoing interactions, reminding the user to take a break and that the chatbot is not human.
- All platforms must disclose that companion chatbots may not be suitable for some minors.

Safety Protocols

- Operators must maintain protocols to prevent the production of content related to suicidal ideation, suicide or self-harm, including providing notifications that refer users to crisis service providers if the user expresses such sentiments.
- Operators must publish details of these protocols on their website.
- For users known to be minors, operators must institute reasonable measures to prevent chatbots from producing visual material of sexually explicit conduct or directly stating that the minor should engage in sexually explicit conduct.

Annual Reporting

Beginning July 1, 2027, operators must annually report to the state Office of Suicide Prevention:

- The number of crisis service provider referral notifications issued in the preceding year.
- Protocols in place to detect, remove and respond to instances of suicidal ideation by users.
- Protocols to prohibit chatbot responses about suicidal ideation or actions.

These reports must not include any user identifiers or personal information, and the Office of Suicide Prevention will post data from these reports on its website.

Enforcement and Remedies

Individuals who suffer injury as a result of noncompliance may bring a civil action for injunctive relief, damages (minimum \$1,000 per violation or actual damages, whichever is greater), and reasonable attorneys' fees and costs. The law's duties and remedies are cumulative and do not relieve operators from remedies and obligations under other laws.

Steps To Comply

- **Review and update disclosures.** Ensure all companion chatbots provide clear and conspicuous notifications that users are interacting with AI, especially in situations where a user might otherwise reasonably believe they are communicating with a human. Clearly disclose on all platforms that companion chatbots may not be suitable for some minors, and ensure all user-facing materials and terms of service reflect the new requirements.
- **Implement safety protocols.** Develop and maintain robust protocols to prevent the production or dissemination of content related to suicide, self-harm and sexually explicit conduct, with special protections for minors. This includes providing crisis service referrals when necessary and instituting regular reminders for minors.
- **Prepare for annual reporting.** Establish internal processes to track and document safety measures, crisis referrals and protocol effectiveness. Prepare to submit annual reports to the Office of Suicide Prevention beginning July 1, 2027.