

October 19, 2026

New Jersey General Assembly  
Assembly Public Safety and Preparedness Committee

Dear Chair Daniels, Vice Chair Verrelli, and Members of the Committee:

EPIC writes in support of A5607, An Act establishing content and data privacy requirements for chatbot providers. Chatbot use is increasing rapidly, and the harms this technology is causing are also skyrocketing. Policymakers should act swiftly to protect residents from these harms. New Jersey has been a leader on tech accountability, and passing this bill would build on the state's existing data privacy protections by placing commonsense safeguards on chatbots.

The Electronic Privacy Information Center (EPIC) is an independent nonprofit research organization in Washington, D.C., established in 1994 to protect privacy, freedom of expression, and democratic values in the information age.<sup>1</sup> EPIC has a long history of advocating for safe and responsible technology and for tech policy that protects the privacy and civil rights of all people.

### **Chatbots are causing devastating harms to people of all ages.**

Chatbots are quickly gaining traction among people of all ages. Two-thirds of teens report having used a chatbot, and 30% of teens use chatbots every day.<sup>2</sup> The number of adults who have used ChatGPT doubled from mid-2023 to mid-2025, with over one-third of adults having used the chatbot.<sup>3</sup> Use of chatbots is causing devastating harms, including suicide, self-harm, violence against others, sexual exploitation and predation, financial scams, reputational injuries, and mental health harms like anxiety, depression, unhealthy emotional attachment, and AI psychosis.<sup>4</sup> Because chatbots are almost entirely unregulated, these harms will only grow. The Legislature should act now to force tech companies to act more responsibly and design chatbots that are safer for everyone.

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<sup>1</sup> EPIC, *About EPIC*, <https://epic.org/about/>.

<sup>2</sup> Michelle Faverio & Olivia Sidoti, *Teens, Social Media and AI Chatbots 2025*, Pew Research Ctr. (Dec. 9, 2025), <https://www.pewresearch.org/internet/2025/12/09/teens-social-media-and-ai-chatbots-2025/>.

<sup>3</sup> Olivia Sidoti & Colleen McClain, *34% of U.S. Adults Have Used ChatGPT, About Double the Share in 2023*, Pew Research Ctr. (June 25, 2025), <https://www.pewresearch.org/short-reads/2025/06/25/34-of-us-adults-have-used-chatgpt-about-double-the-share-in-2023/>.

<sup>4</sup> See, e.g., Kashmir Hill, *They Asked an A.I. Chatbot Questions. The Answers Sent Them Spiraling.*, N.Y. Times (June 13, 2025), <https://www.nytimes.com/2025/06/13/technology/chatgpt-ai-chatbots-conspiracies.html>; Noor Al-Sibai, *Psychiatrists Warn that Talking to AI Is Leading to Severe Mental Health Issues*, Futurism (Aug. 19, 2025), <https://futurism.com/psychiatrists-ai-mental-health-chatbots>; Nguyen, Meyer & Levine, *AI Sycophancy: Impacts, Harms & Questions*, Georgetown Law Inst. for Technology Law & Policy (Aug. 11, 2025), <https://www.law.georgetown.edu/tech-institute/research-insights/insights/ai-sycophancy-impacts-harms-questions/>.

## **New Jersey should continue leading on tech accountability by extending privacy protections into the chatbot context.**

New Jersey has become a leader in holding Big Tech accountable and protecting residents' data privacy and autonomy online. The Legislature's passage of the state's Data Privacy Law, Age-Appropriate Design Code, and Data Broker Registry has given New Jerseyans some of the strongest privacy protections in the country, including a ban on the sale of sensitive data and protections from targeted advertising for minors. This bill would extend these critical data protections to the chatbots context and make chatbots safer for people of all ages.

Just as Big Tech companies have a long history of exploiting people's personal data to profile and target them with ads, as well as engaging in many other harmful practices, AI companies are using the same playbook in the chatbot context. This data exploitation begins at the development stage. Chatbots are powered by large-language models—algorithms trained using data that was scraped indiscriminately from the internet without knowledge or consent, including copyrighted and other protected work, as well as sensitive personal information.<sup>5</sup> Once deployed, chatbot companies continue to perpetuate data-driven harms. Some of the biggest AI companies, including OpenAI and Meta, have already integrated their chatbot and targeted advertising business streams.<sup>6</sup>

In addition to these harmful data practices, there are also data-driven harms unique to chatbots. For example, chatbot providers use personal information about users—including sensitive information such as whether someone is struggling with mental health issues, substance abuse, relationship or family problems, and more—to develop chatbots that are manipulative and incentivize unhealthy attachments. These companies take the sensitive information that people tell chatbots and use it for profit—for example, a teenager who tells a chatbot that she is struggling with her body image and is engaging in disordered eating to lose weight may be fed a targeted advertisement for a GLP-1 or a fad diet. Allowing these chatbots to operate without guardrails to safeguard personal data is setting the scene for this dangerous reality.

To stop chatbots from continuing to harm New Jersey residents, this Committee should vote to advance A5607. Doing so would ensure that New Jersey remains a leader in protecting residents' privacy and holding tech companies accountable for the harms their products cause.

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<sup>5</sup> Lauren Leffer, *Your Personal Data Is Probably Being Used to Train Generative AI Models*, Scientific American (Oct. 19, 2023), <https://www.scientificamerican.com/article/your-personal-information-is-probably-being-used-to-train-generative-ai-models/>; Michael M. Grynbaum & Ryan Mac, *The Times Sues OpenAI and Microsoft over A.I. Use of Copyrighted Work*, N.Y. Times (Dec. 27, 2023), <https://www.nytimes.com/2023/12/27/business/media/new-york-times-open-ai-microsoft-lawsuit.html>.

<sup>6</sup> Maxwell Zeff, *Meta Plans to Sell Targeted Ads Based on Data in Your AI Chats*, TechCrunch (Oct. 1, 2025), <https://techcrunch.com/2025/10/01/meta-plans-to-sell-targeted-ads-based-on-data-in-your-ai-chats/>; Joseph Cox, *How ChatGPT Targets Ads to You Based on Your Prompts, Phone Number, and Email*, 404 Media (Oct. 15, 2026), <https://www.404media.co/how-chatgpt-targets-ads-to-you-based-on-your-prompts-phone-number-and-email/>.

## **A5607 sets out a strong liability framework to incentivize chatbot providers to reduce harm.**

This bill establishes a robust liability framework that allows New Jerseyans to sue chatbot providers if they are harmed by chatbots, clarifies that chatbots are products and therefore subject to typical product liability law, and implements a strict liability regime on chatbot providers. A strong liability structure is essential for chatbot developers and deployers because many of the major chatbot companies have proven over and over again that they will not voluntarily prioritize user safety over profits.<sup>7</sup> Given the strength of this liability framework, it will serve as a real deterrent of continued irresponsible, profit-driven decisions over ones that prioritize user safety and privacy.

Despite AI executives explicitly advocating for liability shields and other special treatment,<sup>8</sup> New Jersey should hold chatbot providers accountable for the harms their products are causing. Passing A5607 will be a clear statement that AI is no different from any other product and that the developers and deployers of chatbots should be held responsible for harm their products cause, just like developers of any other product.<sup>9</sup> If AI developers cannot ensure their products are safe, they should not put them in the public marketplace, and if they do choose to make their products public, they must take responsibility for any resulting harm. This bill is a step toward securing that reality, and EPIC urges the Committee to advance this legislation.

\* \* \*

AI companies are operating with very few rules and very little oversight, and they've proven time and time again that they cannot be trusted to self-regulate. Thus, it is essential that the Committee advance this bill to set clear rules of the road for chatbot providers and to protect New Jerseyans. Chatbot harms are an urgent problem, and we cannot afford to wait to act on this issue.

Thank you for the opportunity to testify today. EPIC is happy to be a resource to the Committee on these issues.

Sincerely,

/s/ Kara Williams

Kara Williams  
EPIC Counsel

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<sup>7</sup> See, e.g., Jeff Horwitz, *Meta CEO Zuckerberg Blocked Curbs on Sex-Talking Chatbots for Minors, Court Filing Alleges*, Reuters (Jan. 27, 2026), <https://www.reuters.com/legal/government/meta-ceo-zuckerberg-blocked-curbs-sex-talking-chatbots-minors-court-filing-2026-01-27/>; Trishla Ostwal, *OpenAI Is Now Sharing Its Users' Data with Advertisers*, Adweek (May 1, 2026), <https://www.adweek.com/media/openai-is-sharing-its-users-data-with-advertisers/>.

<sup>8</sup> Dario Amodei, *We Must Pace the Frontier* (Sept. 2026), <https://darioamodei.com/post/we-must-pace-the-frontier>; Sam Altman on the Burden of Leading OpenAI Amid AI Safety Concerns: 'You Get Used to Anything,' *Fortune* (Sept. 15, 2026), <https://fortune.com/2026/09/15/sam-altman-openai-ai-safety-pause-trump-xi/>.

<sup>9</sup> Editorial Board, *A.I. Companies Say They Aren't Responsible for Their Unpredictable Products. Don't Believe Them.*, N.Y. Times (Oct. 10, 2026), <https://www.nytimes.com/2026/10/10/opinion/ai-companies-liability-laws.html>.