

The Honorable Buffy Wicks  
Chair, Assembly Appropriations Committee  
1021 O Street, Room 8220  
Sacramento, CA 95814

**RE: SB 243 (Padilla) – Companion Chatbots – SUPPORT**

Dear Chair Wicks,

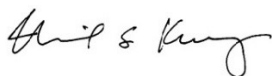
Omidyar Network, a California based philanthropic and investment organization committed to elevating humanity's interests and role in how technology is governed and held accountable, supports SB 243, which would require an operator of a companion chatbot to make a clear and conspicuous notification at the beginning of an interaction that the responses are artificially generated and not from a human.

Omidyar Network's philanthropic and investment efforts have continued for more than two decades and stem from our founder's work at two great California companies, PayPal and eBay. We envision a world where our shared humanity steers our digital future. So far, we have committed more than \$1.94 billion to initiatives that share our vision.

The development of advanced artificial intelligence models and companion chatbots create significant opportunities to improve our world but, without appropriate policy guardrails, could impact user health and safety. Increasingly, we are seeing stories of AI companion chatbots being used in a manner that negatively impacts the mental health of their users. As noted in the Assembly Privacy and Consumer Protection Committee analysis, recent stories indicate that some use has even led to direct harm on individuals who have been manipulated by the artificial intelligence system.

We must regulate these systems to ensure that we minimize or eliminate negative consequences from their use. One clear mechanism for this is designing companion chatbots so that they remind users they are artificial and not actual humans. Moreover, we need to ensure these systems are not designed to prey on those who cannot differentiate between reality and artificial response or are subject to manipulation. It is critical that these technologies advance in a manner that expands the world around us and not take advantage of their users. **For these reasons, we respectfully request your support for this important measure.**

Sincerely,



Mike Kubzansky  
CEO, Omidyar Network

cc: Senator Steve Padilla  
Members, Assembly Appropriations Committee