



Advanced Media and Technology Law

Advertising and Promotions Law



OCTOBER 2018

New California Regulations Mandate Disclosure of Bots

California enacted new legislation Sept. 28 aimed at regulating the rapidly evolving online practice of using automated (and sometimes unidentified) “bots” to boost the perceived popularity of individuals, products and services, and spread news and ideas online.

Bots — shorthand for web robots — are software applications that run automated tasks online and can interact with computer programs and users. Brands can use bots to interact with and influence consumers, collect consumer data for more effective ad targeting, and provide better customer experiences — all with the goal of better sales. Bots are also used to spread misleading news and disinformation, and skew political discourse.

The use of bots — for good and nefarious reasons — has taken off. Bots are prevalent on social media. Facebook disclosed in November 2017 that up to 60 million bots may be interacting with users on the platform. And earlier this year, The New York Times reported on an emerging marketplace where influencers can beef up their online presence by purchasing computer-generated followers and online engagement.

One of the key issues with the use of bots is that human users often can't tell whether they are interacting with another human or a bot.

In passing Senate Bill 1001, California seeks to address that issue, updating its regulation of bots to expressly prohibit those employing bots from deliberately misleading California consumers about a bot's artificial identity in order to incentivize the purchase or sales of goods and services or to influence a vote in an election. The law does not outlaw bots — the use of bots is permitted as long as users clearly and conspicuously disclose that the application is a bot. Under the amendments, which take effect on July 1, 2019, a bot is broadly defined as an “automated online account where all or substantially all of the actions or posts of that account are not the result of a person.” Further, the law applies to all entities that utilize bots, to interact with California consumers whether the entity located in or outside of California.

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