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Governor Hochul Signs Cutting-Edge AI Legislation—But Does It Go Far Enough?

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Governor Hochul continues her energetic engagement on artificial intelligence (AI)—with a key bill signing last Friday, Dec. 19, 2025. In inking the Responsible Artificial Intelligence Safety and Education (RAISE) Act, S6953B/A6453B, the governor continued her balancing of AI as a tool to bring speed, efficiency and promise across industries, against its risks of societal harm.

We reported **(see here)** on two other AI-related bills that the governor signed earlier this month: bills to avoid 'deep-fake' AI use in advertising without the knowledge of consumers, and to ensure that those who have died will not have their names, images and likenesses "shilling" for products.

The RAISE Act gets at something deeper—the fundamental worries inherent when AI is used without guardrails that can harm others. The legislators behind it sought, per the bill's intent section, "[t]o require safety reports for powerful frontier artificial intelligence models in order to limit critical harm." The drafters, while acknowledging certain benefits of AI, raised the fear about the reality that "AI companies leading scientists, and international bodies are preparing for a world in which AI can be used to conduct devastating cyberattacks, aid in the production of bioweapons, and even circumvent controls imposed by developers."

The governor balanced business concerns seemingly outweighing any kibosh she might have been inclined to place on AI. Although the bill passed both houses on June 12, 2025, it only was delivered to the governor earlier this month, and following vigorous negotiations, its reach was dampened considerably through chapter amendments the governor insisted on seeing incorporated.

As the governor wrote in her approval message, "The bill, as drafted, would impose broad compliance obligations on large-scale models without adequate specificity. I have reached an agreement with the legislature to make certain clarifications, including adding requirements for developers to publish AI frameworks with standardized criteria to promote

transparency as well as report critical safety incidents to the state within seventy-two hours of having made or reached the determination that a critical safety incident has occurred."

And critically, the governor sought to dampen the sting of liability, making clear that reporting parties can qualify their liability by hedging about what was within their control versus that of third parties when an instance is ostensibly reportable.

The governor has actively used the chapter amendment process—essentially agreeing to sign bills, rather than veto them, only if lawmakers immediately amend and adjust revise them as requested. In this instance, that' is precisely what she required, such that New York's new law—while in the vanguard across the country in a certain sense—does not advance substantively further than a similar legal framing approved in California—SB 53—as signed into law by Governor Gavin Newsom on Sept. 29, 2025, and effective next month.

Technology companies and other interested parties aggressively asserted their views that led the governor to temper the approach the legislators had proposed and to allow tech companies wider berth. The New York law will, among other elements, permit the New York State Department of Financial Services to regulate and oversee certain AI developers (although not with the breadth as the sponsors had hoped for) through rulemaking and attendant enforcement tools.

Also, per the governor's press release on the signing, AI developers now must "create and publish information about their safety protocols, and report incidents to the state within 72 hours of determining that an incident occurred." DFS will summarize its regulatory work in annual reports.

Moreover, the New York Attorney General can file civil actions against large frontier developers if they do not report as required or make false statements. The stakes are modest: $1 million for the first violation and up to $3 million thereafter. The timing and penalty amounts were among the key provisions the governor negotiated on—she pressed substantially downward on penalties that would have started at $10 million and been up to $30 million for recurrent behavior.

Strong efforts to delay the reporting requirement to as many as 15 days, however (more so aligning with California's standard) were left on the proverbial cutting room floor—the quick turnaround standard remained. Industry leaders were more successful in some other language softening around the edges that lighten the nature of the DFS regulation (i.e., making only more egregious acts reportable and enforceable).

Notably, the very signing of the act by Hochul is an ostensible act of defiance vis-à-vis President Trump's Executive Order issued on Dec. 11, 2025, in which the president warned states to avoid regulating on AI issues or risk suit. As we reported on Dec. 11th, the viability of such suits are an open question—particularly in the context of the constitutionality of federal imposition of restraint on state regulation, but one can be certain New York's law will see challenges early and often from those seeking to see it scuttled. The New York bill is enforceable 90 days after last week's signing, meaning the rubber will meet the road this coming spring, if not beforehand.

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