

HB325 INTRODUCED



1 HB325

2 NRXE6T8-1

3 By Representatives Moore (P), Bedsole, DuBose, Robbins, Gray,
4 Shaw, Chestnut, Hassell

5 RFD: Judiciary

6 First Read: 22-Jan-26



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4 SYNOPSIS:

5 This bill would deem the engagement with
6 consumers in commercial transactions by a person
7 through AI chatbots without notifying the consumer that
8 the consumer is communicating with a computer, and not
9 a human being, as an unfair or deceptive trade
10 practice.

11 This bill would create a private right of action
12 for consumers who are subjected to commercial
13 transactions that violate the provisions of this act.

14 This bill would authorize the Attorney General
15 to bring suit to enforce this act.

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A BILL

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TO BE ENTITLED

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AN ACT

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22 Relating to AI chatbots; to prohibit persons from
23 engaging with consumers in commercial transactions through AI
24 chatbots without notifying the consumer that the consumer is
25 communicating with a computer; to make this violation an
26 unfair or deceptive trade practice; to provide a private right
27 of action for consumers for violations; and to authorize the
28 Attorney General to bring suit to enforce this act.

HB325 INTRODUCED



29 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

30 Section 1. For the purposes of this act, the following
31 terms have the following meanings:

32 (1) ARTIFICIAL INTELLIGENCE or AI. The term as defined
33 in Section 17-5-16.1, Code of Alabama 1975.

34 (2) CHATBOT. A generative artificial intelligence
35 program with which users can interact by or through an
36 interface that approximates or simulates conversation through
37 a text, audio, or visual medium.

38 (3) CONSUMER. The term as defined in Section 7-1-201,
39 Code of Alabama 1975.

40 (4) GENERATIVE ARTIFICIAL INTELLIGENCE. A class of AI
41 models that emulate the structure and characteristics of input
42 data to generate derived synthetic content, including, but not
43 limited to, images, video, audio, text, and other digital
44 content.

45 Section 2. (a) A person that engages in a commercial
46 transaction or trade practice with a consumer through an AI
47 chatbot, in textual or aural conversation, where the consumer
48 may reasonably believe the consumer is engaging with a human,
49 shall notify the consumer verbally or in writing:

50 (1) At the beginning of each interaction that the
51 consumer is communicating with a computer, not a human; and

52 (2) At a regular interval for continuing interactions
53 that the consumer is communicating with computer, not a human.

54 (b) Failure to comply with the provisions of this act
55 is an unfair or deceptive trade practice.

56 Section 3. (a) A consumer who is subjected to a

HB325 INTRODUCED



57 commercial transaction that violates Section 2(a) of this act
58 may bring a civil action to recover the following relief:

59 (1) Injunctive relief.

60 (2) Damages in an amount equal to the sum of any actual
61 damages, as well as statutory damages not to exceed one
62 thousand dollars (\$1,000) per violation.

63 (b) In the case of a class action lawsuit, the court
64 may not award damages in excess of ten million dollars
65 (\$10,000,000).

66 Section 4. Whenever it appears to the Attorney General,
67 either upon complaint or otherwise, that a person has violated
68 or is about to violate Section 2(a) of this act, the Attorney
69 General may bring an action against a person to:

70 (1) Enjoin the person from continuing the violation;

71 (2) Seek civil penalties of up to five million dollars
72 (\$5,000,000) for a violation under this act; and

73 (3) Seek any other remedies as the court may deem
74 appropriate.

75 Section 5. This act shall become effective on October
76 1, 2026.