

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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18 A BILL
19 TO BE ENTITLED
20 AN ACT
21

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.



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BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

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

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

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

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

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

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

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

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

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



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

(1) Injunctive relief.

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

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

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

(1) Enjoin the person from continuing the violation;

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

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

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