

2026 Regular Session

HOUSE BILL NO. 425

BY REPRESENTATIVE MANDIE LANDRY

CONSUMERS/PROTECTION: Provides for consumer protection practices for customers engaging with artificial intelligence

1 AN ACT

2 To enact R.S. 51:1430, relative to unfair or deceptive trade practices; to provide for
3 definitions; to provide for engagement with computer technology like artificial
4 intelligence; to prohibit misleading communications with automated systems; to
5 provide a cause of action; to provide for damages; to provide for injunctive relief;
6 to provide for civil penalties; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 51:1430 is hereby enacted to read as follows:

9 §1430. Unfair or deceptive trade practice; misleading communications with artificial
10 intelligence systems

11 A. As used in this Section, "automated system" means a chatbot, artificial
12 intelligence agent, avatar, or other computer technology that engages in a textual or
13 aural conversation and may mislead or deceive a reasonable person to believe the
14 person is engaging with an actual human being.

15 B. It is an unfair or deceptive trade practice for a corporation, organization,
16 or person to engage in a commercial transaction or trade practice with a consumer
17 in this state in which the consumer is communicating or otherwise interacting with
18 an automated system and either of the following applies:

19 (1) The consumer is not notified in a clear and conspicuous manner that the
20 consumer is communicating with an automated system and not a human being.

- 1 (2) The consumer may reasonably believe he is engaging with a human.
- 2 C. A consumer subjected to a commercial transaction that does not comply
3 with Subsection B of this Section may initiate a civil action against the corporation,
4 organization, or person that engaged in that transaction.
- 5 D. A corporation, organization, or person that fails to comply with this
6 Section with respect to any consumer is liable to the consumer for actual damages
7 sustained by the consumer as a result of the violation plus statutory damages not to
8 exceed one thousand dollars, or in the case of a class action, an amount the court
9 determines for the class, not to exceed ten million dollars.
- 10 E. The attorney general may seek injunctive relief against a corporation,
11 organization, or person that fails to comply with this Section.
- 12 F. A corporation, organization, or person found by a court to be in violation
13 of this Section is liable for a civil penalty not to exceed five million dollars.
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DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 425 Original

2026 Regular Session

Mandie Landry

Abstract: Provides for consumer protection practices for customers engaging with artificial intelligence.

Proposed law defines "automated system".

Proposed law establishes that it is an unfair or deceptive trade practice for a corporation, organization, or person to engage in a commercial transaction or trade practice with a consumer in this state in which the consumer is communicating or otherwise interacting with an automated system and either of the following applies:

- (1) The consumer is not notified in a clear and conspicuous manner that the consumer is communicating with an automated system and not a human being.
- (2) The consumer may otherwise reasonably believe the consumer is engaging with a human.

Proposed law provides for a cause of action by a consumer subject to such a practice against a corporation, organization, or person.

Proposed law provides for damages payable to the consumer by the corporation, organization, or person who engaged in the unfair trade practice.

(Adds R.S. 51:1430)