

2025 Trends in U.S. State AI Legislation

A Look at How U.S. State Policymakers Are Approaching Artificial Intelligence Preview of Future of Privacy Forum's Legislative Report

A Survey of Enacted Laws and Key Bills Shows State Legislatures Moved Towards Targeted, Transparency-Focused Rules for Artificial Intelligence (AI).

This Preview highlights key findings from FPF's forthcoming report “2025 U.S. State AI Legislation: An Examination of State Approaches to AI,” which provides a data-driven snapshot of enacted and key AI bills affecting the private sector, organizes activity into distinct approaches, and helps stakeholders understand emerging trends and obligations.

As AI technologies rapidly integrate into key sectors, state policymakers are debating what sorts of rules should govern these tools—with impacts on innovation, consumer protection, and AI's diffusion in society.

Most Enacted and Key AI Bills Fall Into Four Thematic Approaches

**Many AI bills address overlapping issues and may fall into multiple categories.*

Use / Context-Specific: Focuses on **certain uses** of AI in high-risk decisionmaking or contexts, such as:

- AI in healthcare
- AI in critical infrastructure
- High-Risk / Automated Decisionmaking (ADMT)

Technology-Specific: Focuses on **specific types of AI technologies**, such as:

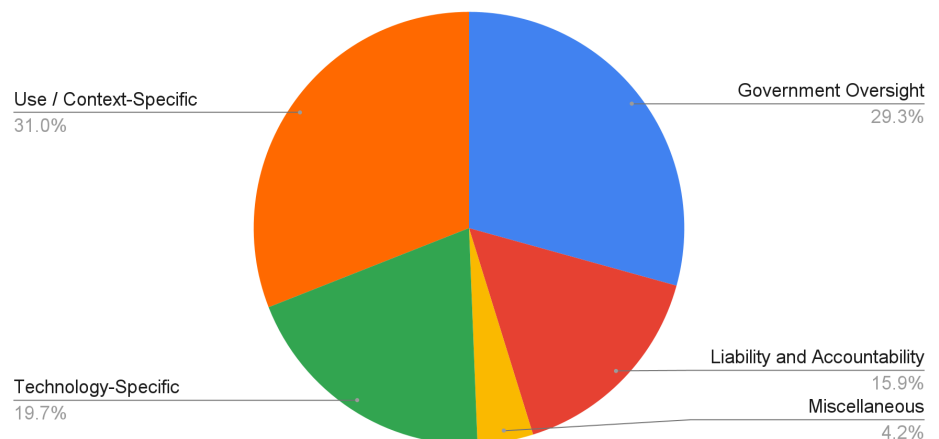
- Generative AI
- Chatbots
- Frontier / Foundation models

Liability and Accountability: Focuses on defining, clarifying, or qualifying **legal responsibility** for use and development of AI systems, such as:

- Establishing regulatory sandboxes
- Creating affirmative defenses, immunity, or otherwise limiting liability
- Establishing strict liability for certain practices

Government Use and Strategy: Focuses on requirements for **government agencies' use of AI** that have downstream or indirect effects on the private sector, such as creating standards and requirements for agencies procuring AI systems from private sector vendors.

State AI Bills by Broad Category



22 Pieces of Enacted AI Legislation Directly or Indirectly Impact Private Sector Entities Developing or Using AI Systems.

In 2025, FPF tracked **210 AI-related bills** introduced in U.S. state legislatures that could directly or indirectly affect private-sector AI development and use. Of these, **16 were enacted into law and 2 are awaiting Governor action**. The following list outlines and categorizes these laws for stakeholders tracking AI-related legislative developments. These enacted laws **reflect interest in AI regulation across the political spectrum**, with Republican-led bills often focusing on liability protections and government use, and Democrat-led bills tending to prioritize transparency and consumer protections.

<u>Enacted State Bill</u>	<u>Description</u>	<u>Category</u>
<u>Arkansas HB 1958</u> Rep. Meeks (R)	Automated Decisionmaking in Government	Use / Context Specific (ADMT); Government Use and Strategy
<u>Arkansas HB 1876</u> Rep. Richardson (R)	Ownership of AI-Generated Content	Technology-Specific (Generative AI); Liability and Accountability (Legal Ownership)
<u>Connecticut SB 1295</u> Sen. Maroney (D)	Personal Data Used in Automated Decisionmaking	Use / Context Specific (ADMT)
<u>Kentucky SB 4</u> Sen. Bledsoe (R)	High-Risk AI in Government	Use / Context Specific (High-Risk Uses); Government Use and Strategy
<u>Maine LD 1727</u> Rep. Kuhn (D)	AI Chatbot Transparency	Technology-Specific (Chatbots)
<u>Montana SB 212</u> Sen. Zolnikov (R)	Right to Compute & AI in Critical Infrastructure	Use / Context Specific (Critical Infrastructure); Liability and Accountability (Right to Compute)
<u>Montana HB 178</u> Rep. Mitchell (R)	Government Use of AI	Government Use and Strategy
<u>Nevada AB 406</u> Asm. Jackson (D)	AI Use by Healthcare Providers	Use / Context Specific (Health)
<u>New York S-3008C (FY26 Budget)</u>	AI Companions	Technology-Specific (Chatbots)
<u>New York A 433</u> Rep. Otis (D)	Automated Employment Decisionmaking in Government	Use / Context Specific (Employment); Government Use and Strategy
<u>Texas SB 1964</u> Sen. Parker (R)	Government Use of AI	Government Use and Strategy
<u>Texas SB 1188</u> Sen. Kolkhorst (R)	AI Use by Healthcare Practitioners	Use / Context Specific (Health)
<u>Texas HB 2818</u> Rep. Capriglione (R)	Government Use of Generative AI	Technology-Specific (Generative AI); Government Use and Strategy;
<u>Texas HB 149</u>	Responsible AI Governance Act (TRAIGA)	Use / Context-Specific (Prohibited Uses);

Rep. Capriglione (R)

Technology-Specific (Biometrics);
Liability and Accountability (Regulatory Sandbox)
Government Use and Strategy

Utah SB 452

Rep. Moss (R)

AI-Driven Mental Health Chatbots

Use / Context Specific (Health)
Technology-Specific (Chatbots)

Utah SB 226

Sen. Cullimore (R)

**Generative AI Transparency in High-Risk
Consumer Interactions**

Use / Context Specific (High-Risk Uses);
Technology-Specific (Generative AI);

2 Bills Are Engrossed But Have Not Yet Been Signed:

Illinois HB 1806

Rep. Morgan (D)

Healthcare Professionals' Use of AI

Use / Context Specific (Health)

New York S 6453

Asm. Bores (D)

Frontier Model Safety (RAISE Act)

Technology-Specific (Frontier Models);
Liability and Accountability (Strict Liability)

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**Enacted Frameworks Focus on
Healthcare-Related Uses of AI**

These laws primarily **guide or limit the use of AI by licensed professionals**, especially in mental health contexts. Most prohibit AI from independently diagnosing, making treatment decisions, or replacing human healthcare providers. Others require certain disclosures with patient or user communications.

Notable examples include:

- *Illinois HB 1806 (AI by licensed professionals)*
- *Nevada AB 406 (mental and behavioral health)*
- *Texas SB 1188 (AI diagnostics by practitioners)*

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**Enacted
Frameworks
Focus on
Chatbots**

These primarily address **companion** and **mental-health** related chatbots, responding to recent court cases and high-profile incidents involving chatbot interactions that appeared to encourage self-harm, suicidal ideation, or delusions. All require that users be informed they are interacting with a chatbot rather than a human. Some go further—restricting data use or requiring protocols to detect and refer at-risk users to crisis services.

Notable examples include:

- *New York S-3008C (companion chatbots)*
- *Maine LD 1727 (chatbot disclosures)*
- *Utah SB 452 (mental health chatbots)*

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Enacted Frameworks Created New Legal Protections for AI Developers and Development

These aimed to **encourage AI development** by creating greater regulatory clarity and minimizing legal burdens through regulatory sandboxes, affirmative defenses and legal exemptions, and rights to compute.

Notable examples include:

- *Montana SB 212 (creating a “right to compute”)*
- *Texas HB 149 (TRAIGA) (creating a regulatory sandbox)*
- *Utah HB 452 (creating an affirmative defense for AI developers)*

Key Takeaway

Compared to Past Years, Enacted and Key Bills Were **Narrower** in Scope and **Focused on Transparency** over Governance Obligations for Businesses.

Shift Away from Broad AI Laws: In 2025, few bills that mirrored comprehensive frameworks like the Colorado AI Act (CAIA)—which imposed cross-sector requirements on high-risk AI use in specific areas (e.g., education, employment, and health)—gained meaningful momentum. Instead, broader AI proposals were typically advanced through amendments to existing statutes—such as data privacy laws—or focused on government use.

Texas HB 149 (TRAIGA), one of the more expansive AI-related laws enacted in 2025, reflects this shift. Rather than creating a unified framework, TRAIGA addresses a range of distinct issues including requirements for government AI use, clarification of data scraping practices for AI training under the state’s biometrics law, and liability for certain unlawful uses of AI (e.g., intentional discrimination and constitutional violations).

Notably, the only standalone bill aimed at regulating private-sector “high-risk” AI that passed a legislature—Virginia HB 2094—was ultimately vetoed early in the year, signaling potential resistance to similarly broad proposals.

Targeted Focus on Narrow Sectors and Transparency: Rather than pursuing broad governance frameworks, many legislatures in 2025 focused on narrower proposals tailored to specific sectors—such as health or critical infrastructure—or particular technologies like chatbots. These bills often emphasized consumer transparency, with disclosure and notice requirements serving as foundational elements.

This trend suggests that transparency and targeted rules were more politically palatable in 2025, reflecting concerns about innovation, competitiveness, and regulatory overreach.

Additional Considerations Discussed in the Forthcoming Report

- Definitional Comparisons
- Streamlining of Re-Introduced Legislation
- Chatbot Litigation
- Technical Mechanisms for Generative AI Transparency
- Emerging 2026 Trends for AI Agents
- And More ...

The forthcoming Report will debut Fall 2025. If you would like an email alert for the Report’s publication or discuss our findings, please contact **Tatiana Rice, Director for U.S. AI Legislation** (trice@fpf.org).