



## 2026 South Dakota Legislature

# Senate Bill 170

Introduced by: **Senator Larson**

1 **An Act to require the provision of a notice to consumers, interacting with certain**  
 2 **chatbots or other human-simulating computer technologies that could**  
 3 **mislead or deceive the consumer.**

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

5 **Section 1. That a NEW SECTION be added to chapter 37-24:**

6 Except as otherwise provided in this section, a person may not engage in a  
 7 commercial transaction or trade practice with a consumer if:

- 8 (1) The transaction or practice requires the consumer to communicate with or interact  
 9 with a chatbot, an artificial intelligence agent, an avatar, or another form of  
 10 computer technology that engages in a textual or aural conversation; and  
 11 (2) The consumer could reasonably believe that the consumer is engaging with  
 12 human.

13 The prohibition set forth in this section does not apply if the consumer is notified,  
 14 in a clear and conspicuous fashion, at the outset of the transaction or practice, that the  
 15 consumer is not communicating with another human.

16 **Section 2. That a NEW SECTION be added to chapter 37-24:**

17 Except as otherwise provided in this section, either a consumer subjected to a  
 18 commercial transaction or trade practice that does not comply with section 1 of this Act,  
 19 or the attorney general, may bring a civil action against the violating person, except as  
 20 provided below, and may recover:

- 21 (1) Actual damages;  
 22 (2) Liquidated damages in the amount of one thousand dollars for each violation; or  
 23 (3) In the case of a class action, an amount not exceeding ten million dollars.

24 The prevailing party may also recover reasonable attorney's fees and costs.

1           Nothing in this section permits a cause of action against an internet service  
2           provider who is involved only in the routine transmission of the violative transaction or  
3           trade practice over the provider's computer network.

4           **Section 3. That a NEW SECTION be added to chapter 37-24:**

5           The attorney general may seek injunctive relief against any person that fails to  
6           comply with section 1 of this Act.