

BUSINESS AND COMMERCE CODE
TITLE 11. PERSONAL IDENTITY INFORMATION
SUBTITLE D. ARTIFICIAL INTELLIGENCE PROTECTION
CHAPTER 551. GENERAL PROVISIONS

Text of section effective on January 01, 2026

Sec. 551.001. DEFINITIONS. In this subtitle:

(1) "Artificial intelligence system" means any machine-based system that, for any explicit or implicit objective, infers from the inputs the system receives how to generate outputs, including content, decisions, predictions, or recommendations, that can influence physical or virtual environments.

(2) "Consumer" means an individual who is a resident of this state acting only in an individual or household context. The term does not include an individual acting in a commercial or employment context.

(3) "Council" means the Texas Artificial Intelligence Council established under Chapter 554.

Added by Acts 2025, 89th Leg., R.S., Ch. 1174 (H.B. 149), Sec. 4, eff. January 1, 2026.

Text of section effective on January 01, 2026

Sec. 551.002. APPLICABILITY OF SUBTITLE. This subtitle applies only to a person who:

(1) promotes, advertises, or conducts business in this state;

(2) produces a product or service used by residents of this state; or

(3) develops or deploys an artificial intelligence system in this state.

Added by Acts 2025, 89th Leg., R.S., Ch. 1174 (H.B. 149), Sec. 4, eff. January 1, 2026.

Text of section effective on January 01, 2026

Sec. 551.003. CONSTRUCTION AND APPLICATION OF SUBTITLE. This subtitle shall be broadly construed and applied to

promote its underlying purposes, which are to:

(1) facilitate and advance the responsible development and use of artificial intelligence systems;

(2) protect individuals and groups of individuals from known and reasonably foreseeable risks associated with artificial intelligence systems;

(3) provide transparency regarding risks in the development, deployment, and use of artificial intelligence systems; and

(4) provide reasonable notice regarding the use or contemplated use of artificial intelligence systems by state agencies.

Added by Acts 2025, 89th Leg., R.S., Ch. 1174 (H.B. [149](#)), Sec. 4, eff. January 1, 2026.