

By: Capriglione

H.B. No. 2818

Substitute the following for H.B. No. 2818:

By: Bowers

C.S.H.B. No. 2818

A BILL TO BE ENTITLED

AN ACT

relating to the artificial intelligence division within the  
Department of Information Resources.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter [2054](#), Government Code, is amended by  
adding Subchapter S to read as follows:

SUBCHAPTER S. ARTIFICIAL INTELLIGENCE DIVISION

Sec. 2054.701. ESTABLISHMENT AND ADMINISTRATION OF  
DIVISION. (a) The department shall establish an artificial  
intelligence division within the department.

(b) The executive director shall direct the administration  
and oversight of the artificial intelligence division, including  
the division's organization within the department.

(c) The department may hire the personnel necessary to  
administer the duties of the division, including hiring personnel  
through institutions of higher education, as defined by Section  
[61.003](#), Education Code.

Sec. 2054.702. GENERATIVE ARTIFICIAL INTELLIGENCE  
TECHNOLOGY. (a) The division shall assist state agencies and other  
entities that use the department's services in the implementation  
of generative artificial intelligence technology for:

(1) projects to modernize or replace legacy systems,  
as defined by Section [2054.571](#); and

(2) other projects appropriate for the use of

generative artificial intelligence technology as determined by the department.

(b) In assisting agencies and entities with projects under Subsection (a), the division may:

(1) use generative artificial intelligence technology developed or procured by the department to complete the project; or

(2) contract with a vendor to use generative artificial intelligence technology to complete the project.

(c) If the division contracts with a vendor under Subsection (b), the vendor's generative artificial intelligence technology must complete a majority of the work required to complete the contract.

Sec. 2054.703. COST ANALYSIS REPORT. The division shall prepare a cost analysis report for each project completed under Section 2054.702 that includes:

(1) a summary of the time, money, and resources saved by using a generative artificial intelligence technology compared to the time, money, and resources that would have been required using traditional systems to perform equivalent tasks; and

(2) a concise overview focused on information demonstrating the cost and time efficiencies achieved by using generative artificial intelligence technology for the project.

Sec. 2054.704. RULES. The department may adopt the rules necessary to establish and administer the division.

SECTION 2. As soon as practicable after the effective date of this Act, the Department of Information Resources shall adopt the rules necessary to implement Subchapter S, Chapter 2054,

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1 Government Code, as added by this Act.

2 SECTION 3. This Act takes effect September 1, 2025.