1-1 By: Capriglione, et al. (Senate Sponsor - Parker)   H.B. No. 2818
1-2   (In the Senate - Received from the House April 28, 2025;
1-3 April 29, 2025, read first time and referred to Committee on
1-4 Business & Commerce; May 23, 2025, reported adversely, with
1-5 favorable Committee Substitute by the following vote: Yeas 11,
1-6 Nays 0; May 23, 2025, sent to printer.)

1-7   COMMITTEE VOTE

1-8		Yea	Nay	Absent	PNV
1-9	Schwertner	X			
1-10	King	X			
1-11	Blanco	X			
1-12	Campbell	X			
1-13	Creighton	X			
1-14	Johnson	X			
1-15	Kolkhorst	X			
1-16	Menéndez	X			
1-17	Middleton	X			
1-18	Nichols	X			
1-19	Zaffirini	X			

1-20 COMMITTEE SUBSTITUTE FOR H.B. No. 2818   By: King

1-21   A BILL TO BE ENTITLED
1-22   AN ACT

1-23 relating to the artificial intelligence division within the
1-24 Department of Information Resources.
1-25   BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
1-26   SECTION 1. Chapter 2054, Government Code, is amended by
1-27 adding Subchapter S to read as follows:
1-28   SUBCHAPTER S. ARTIFICIAL INTELLIGENCE DIVISION
1-29   Sec. 2054.701. ESTABLISHMENT AND ADMINISTRATION OF
1-30 DIVISION.   (a)   The department shall establish an artificial
1-31 intelligence division within the department.
1-32   (b)   The executive director shall direct the administration
1-33 and oversight of the artificial intelligence division, including
1-34 the division's organization within the department.
1-35   (c)   The department may hire the personnel necessary to
1-36 administer the duties of the division, including hiring personnel
1-37 through institutions of higher education, as defined by Section
1-38 61.003, Education Code.
1-39   Sec. 2054.702. GENERATIVE   ARTIFICIAL   INTELLIGENCE
1-40 TECHNOLOGY. (a) The division shall assist state agencies and other
1-41 entities that use the department's services in the implementation
1-42 of generative artificial intelligence technology for:
1-43   (1)   projects to modernize or replace legacy systems,
1-44 as defined by Section 2054.571; and
1-45   (2)   other projects appropriate for the use of
1-46 generative artificial intelligence technology as determined by the
1-47 department.
1-48   (b)   In assisting agencies and entities with projects under
1-49 Subsection (a), the division may:
1-50   (1)   use generative artificial intelligence technology
1-51 developed or procured by the department to complete the project; or
1-52   (2)   contract with a vendor to use generative
1-53 artificial intelligence technology to complete the project.
1-54   (c)   If the division contracts with a vendor under Subsection
1-55 (b), the vendor's generative artificial intelligence technology
1-56 must complete a majority of the work required to complete the
1-57 project.
1-58   Sec. 2054.703. COST ANALYSIS REPORT. The division shall
1-59 prepare a cost analysis report for each project completed under
1-60 Section 2054.702 that includes:

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2-1   (1) a summary of the time, money, and resources saved
2-2 by using a generative artificial intelligence technology compared
2-3 to the time, money, and resources that would have been required
2-4 using traditional systems to perform equivalent tasks; and
2-5   (2) a   concise   overview   focused   on   information
2-6 demonstrating the cost and time efficiencies achieved by using
2-7 generative artificial intelligence technology for the project.
2-8   Sec. 2054.704. EFFICIENT USE OF RESOURCES. The department
2-9 shall coordinate division activities under this subchapter and the
2-10 activities under any other law relating to artificial intelligence
2-11 systems to ensure efficient system implementation and to streamline
2-12 the use of department resources, including information sharing and
2-13 personnel.
2-14   Sec. 2054.705. RULES. The department may adopt the rules
2-15 necessary to establish and administer the division.
2-16   SECTION 2. As soon as practicable after the effective date
2-17 of this Act, the Department of Information Resources shall adopt
2-18 the rules necessary to implement Subchapter S, Chapter 2054,
2-19 Government Code, as added by this Act.
2-20   SECTION 3. This Act takes effect September 1, 2025.

2-21   * * * * *