

SENATE AMENDMENTS
2nd Printing

By: Capriglione, Orr

H.B. No. 3512

A BILL TO BE ENTITLED

AN ACT

relating to artificial intelligence training programs for certain employees and officials of state agencies and local governments.

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

SECTION 1. Section 11.175(h-1), Education Code, is amended to read as follows:

(h-1) Notwithstanding Section 2054.5191, Government Code, only the district's cybersecurity coordinator is required to complete the cybersecurity training and the artificial intelligence training under that section on an annual basis. Any other school district employee required to complete the cybersecurity training and the artificial intelligence training shall complete the training as determined by the district, in consultation with the district's cybersecurity coordinator.

SECTION 2. The heading to Section 772.012, Government Code, is amended to read as follows:

Sec. 772.012. COMPLIANCE WITH CYBERSECURITY AND ARTIFICIAL INTELLIGENCE TRAINING REQUIREMENTS.

SECTION 3. Sections 772.012(b) and (c), Government Code, are amended to read as follows:

(b) To apply for a grant under this chapter, a local government must submit with the grant application a written certification of the local government's compliance with the cybersecurity training and the artificial intelligence training

1 required by Section 2054.5191.

2 (c) On a determination by the criminal justice division
3 established under Section 772.006 that a local government awarded a
4 grant under this chapter has not complied with the cybersecurity
5 training or the artificial intelligence training required by
6 Section 2054.5191, the local government shall pay to this state an
7 amount equal to the amount of the grant award. A local government
8 that is the subject of a determination described by this subsection
9 is ineligible for another grant under this chapter until the second
10 anniversary of the date the local government is determined
11 ineligible.

12 SECTION 4. The heading to Subchapter N-1, Chapter 2054,
13 Government Code, is amended to read as follows:

14 SUBCHAPTER N-1. CYBERSECURITY AND ARTIFICIAL INTELLIGENCE

15 SECTION 5. The heading to Section 2054.5191, Government
16 Code, is amended to read as follows:

17 Sec. 2054.5191. CYBERSECURITY AND ARTIFICIAL INTELLIGENCE
18 TRAINING REQUIRED: CERTAIN EMPLOYEES AND OFFICIALS.

19 SECTION 6. Sections 2054.5191(a), (a-1), (b), (c), and (e),
20 Government Code, are amended to read as follows:

21 (a) Each state agency shall identify state employees who use
22 a computer to complete at least 25 percent of the employee's
23 required duties. At least once each year, an employee identified by
24 the state agency and each elected or appointed officer of the agency
25 shall complete a cybersecurity training program certified under
26 Section 2054.519 and an artificial intelligence training program
27 certified under Section 2054.5193.

(a-1) At least once each year, a local government shall:

(1) identify local government employees and elected and appointed officials who have access to a local government computer system or database and use a computer to perform at least 25 percent of the employee's or official's required duties; and

(2) require the employees and officials identified under Subdivision (1) to complete:

(A) a cybersecurity training program certified under Section 2054.519; and

(B) an artificial intelligence training program certified under Section 2054.5193.

(b) The governing body of a local government may select the most appropriate cybersecurity training program certified under Section 2054.519 and the most appropriate artificial intelligence training program certified under Section 2054.5193 for employees and officials of the local government to complete. The governing body shall:

(1) verify and report on the completion of a cybersecurity training program and an artificial intelligence training program by employees and officials of the local government to the department; and

(2) require periodic audits to ensure compliance with this section.

(c) A state agency may select the most appropriate cybersecurity training program certified under Section 2054.519 and the most appropriate artificial intelligence training program certified under Section 2054.5193 for employees of the state

agency. The executive head of each state agency shall verify completion of a cybersecurity training program and an artificial intelligence training program by employees of the state agency in a manner specified by the department.

(e) The department shall develop a form for use by state agencies and local governments in verifying completion of cybersecurity training program and artificial intelligence training program requirements under this section. The form must allow the state agency and local government to indicate the percentage of employee completion.

SECTION 7. Subchapter N-1, Chapter 2054, Government Code, is amended by adding Section 2054.5193 to read as follows:

Sec. 2054.5193. STATE-CERTIFIED ARTIFICIAL INTELLIGENCE TRAINING PROGRAMS. (a) The department, in consultation with the cybersecurity council established under Section 2054.512 and interested persons, shall annually:

(1) certify at least five artificial intelligence training programs for state and local government employees;

(2) update standards for maintenance of certification by the artificial intelligence training programs under this section; and

(3) ensure that the artificial intelligence training programs are equal in length to the cybersecurity training programs certified under Section 2054.519.

(b) To be certified under Subsection (a), an artificial intelligence training program must:

(1) focus on forming an understanding of how

1 artificial intelligence technology may be used in relation to a
2 state employee's responsibilities and duties; and

3 (2) teach best practices on literacy in deploying and
4 operating the artificial intelligence technologies.

5 (c) The department may identify and certify under
6 Subsection (a) training programs provided by state agencies and
7 local governments that satisfy the training requirements described
8 by Subsection (b).

9 (d) The department may contract with an independent third
10 party to certify artificial intelligence training programs under
11 this section.

12 (e) The department shall annually publish on the
13 department's Internet website the list of artificial intelligence
14 training programs certified under this section.

15 SECTION 8. Section 2056.002(b), Government Code, is amended
16 to read as follows:

17 (b) The Legislative Budget Board and the governor's office
18 shall determine the elements required to be included in each
19 agency's strategic plan. Unless modified by the Legislative Budget
20 Board and the governor's office, and except as provided by
21 Subsection (c), a plan must include:

22 (1) a statement of the mission and goals of the state
23 agency;

24 (2) a description of the indicators developed under
25 this chapter and used to measure the output and outcome of the
26 agency;

27 (3) identification of the groups of people served by

1 the agency, including those having service priorities, or other
2 service measures established by law, and estimates of changes in
3 those groups expected during the term of the plan;

4 (4) an analysis of the use of the agency's resources to
5 meet the agency's needs, including future needs, and an estimate of
6 additional resources that may be necessary to meet future needs;

7 (5) an analysis of expected changes in the services
8 provided by the agency because of changes in state or federal law;

9 (6) a description of the means and strategies for
10 meeting the agency's needs, including future needs, and achieving
11 the goals established under Section 2056.006 for each area of state
12 government for which the agency provides services;

13 (7) a description of the capital improvement needs of
14 the agency during the term of the plan and a statement, if
15 appropriate, of the priority of those needs;

16 (8) identification of each geographic region of this
17 state, including the Texas-Louisiana border region and the
18 Texas-Mexico border region, served by the agency, and if
19 appropriate the agency's means and strategies for serving each
20 region;

21 (9) a description of the training of the agency's
22 contract managers under Section 656.052;

23 (10) an analysis of the agency's expected expenditures
24 that relate to federally owned or operated military installations
25 or facilities, or communities where a federally owned or operated
26 military installation or facility is located;

27 (11) an analysis of the strategic use of information

1 resources as provided by the instructions prepared under Section
2 2054.095;

3 (12) a written certification of the agency's
4 compliance with the cybersecurity training and the artificial
5 intelligence training required under Sections 2054.5191 and
6 2054.5192; and

7 (13) other information that may be required.

8 SECTION 9. As soon as practicable after the effective date
9 of this Act, the Department of Information Resources shall adopt
10 the rules necessary to develop and implement the artificial
11 intelligence training programs required by Section 2054.5193,
12 Government Code, as added by this Act.

13 SECTION 10. This Act takes effect September 1, 2025.

ADOPTED

MAY 25 2025

Latey Shaw
Secretary of the Senate

By: *[Signature]*

H.B. No. 3512

Substitute the following for H.B. No. 3512:

By: *[Signature]*

C.S.H.B. No. 3512

A BILL TO BE ENTITLED

1 AN ACT

2 relating to artificial intelligence training programs for certain
3 employees and officials of state agencies and local governments.

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

5 SECTION 1. Section 11.175(h-1), Education Code, is amended
6 to read as follows:

7 (h-1) Notwithstanding Section 2054.5191, Government Code,
8 only the district's cybersecurity coordinator is required to
9 complete the cybersecurity training and the artificial
10 intelligence training under that section on an annual basis. Any
11 other school district employee required to complete the
12 cybersecurity training and the artificial intelligence training
13 shall complete the training as determined by the district, in
14 consultation with the district's cybersecurity coordinator.

15 SECTION 2. The heading to Section 772.012, Government Code,
16 is amended to read as follows:

17 Sec. 772.012. COMPLIANCE WITH CYBERSECURITY AND ARTIFICIAL
18 INTELLIGENCE TRAINING REQUIREMENTS.

19 SECTION 3. Sections 772.012(b) and (c), Government Code,
20 are amended to read as follows:

21 (b) To apply for a grant under this chapter, a local
22 government must submit with the grant application a written
23 certification of the local government's compliance with the
24 cybersecurity training and the artificial intelligence training

1 required by Section 2054.5191.

2 (c) On a determination by the criminal justice division
3 established under Section 772.006 that a local government awarded a
4 grant under this chapter has not complied with the cybersecurity
5 training or the artificial intelligence training required by
6 Section 2054.5191, the local government shall pay to this state an
7 amount equal to the amount of the grant award. A local government
8 that is the subject of a determination described by this subsection
9 is ineligible for another grant under this chapter until the second
10 anniversary of the date the local government is determined
11 ineligible.

12 SECTION 4. The heading to Subchapter N-1, Chapter 2054,
13 Government Code, is amended to read as follows:

14 SUBCHAPTER N-1. CYBERSECURITY AND ARTIFICIAL INTELLIGENCE

15 SECTION 5. The heading to Section 2054.5191, Government
16 Code, is amended to read as follows:

17 Sec. 2054.5191. CYBERSECURITY AND ARTIFICIAL INTELLIGENCE
18 TRAINING REQUIRED: CERTAIN EMPLOYEES AND OFFICIALS.

19 SECTION 6. Sections 2054.5191(a), (a-1), (b), (c), and (e),
20 Government Code, are amended to read as follows:

21 (a) Each state agency shall identify state employees who use
22 a computer to complete at least 25 percent of the employee's
23 required duties. At least once each year, an employee identified by
24 the state agency and each elected or appointed officer of the agency
25 shall complete a cybersecurity training program certified under
26 Section 2054.519 and an artificial intelligence training program
27 certified under Section 2054.5193.

1 (a-1) At least once each year, a local government shall:

2 (1) identify local government employees and elected
3 and appointed officials who have access to a local government
4 computer system or database and use a computer to perform at least
5 25 percent of the employee's or official's required duties; and

6 (2) require the employees and officials identified
7 under Subdivision (1) to complete:

8 (A) a cybersecurity training program certified
9 under Section 2054.519; and

10 (B) an artificial intelligence training program
11 certified under Section 2054.5193.

12 (b) The governing body of a local government may select the
13 most appropriate cybersecurity training program certified under
14 Section 2054.519 and the most appropriate artificial intelligence
15 training program certified under Section 2054.5193 for employees
16 and officials of the local government to complete. The governing
17 body shall:

18 (1) verify and report on the completion of a
19 cybersecurity training program and an artificial intelligence
20 training program by employees and officials of the local government
21 to the department; and

22 (2) require periodic audits to ensure compliance with
23 this section.

24 (c) A state agency may select the most appropriate
25 cybersecurity training program certified under Section 2054.519
26 and the most appropriate artificial intelligence training program
27 certified under Section 2054.5193 for employees of the state

1 agency. The executive head of each state agency shall verify
2 completion of a cybersecurity training program and an artificial
3 intelligence training program by employees of the state agency in a
4 manner specified by the department.

5 (e) The department shall develop a form for use by state
6 agencies and local governments in verifying completion of
7 cybersecurity training program and artificial intelligence
8 training program requirements under this section. The form must
9 allow the state agency and local government to indicate the
10 percentage of employee completion.

11 SECTION 7. Subchapter N-1, Chapter 2054, Government Code,
12 is amended by adding Section 2054.5193 to read as follows:

13 Sec. 2054.5193. STATE-CERTIFIED ARTIFICIAL INTELLIGENCE
14 TRAINING PROGRAMS. (a) The department, in consultation with a
15 board or council administratively attached to the department and
16 authorized to advise the department on artificial intelligence
17 systems and with other interested persons, shall annually:

18 (1) certify at least five artificial intelligence
19 training programs for state and local government employees;

20 (2) update standards for maintenance of certification
21 by the artificial intelligence training programs under this
22 section; and

23 (3) ensure that the artificial intelligence training
24 programs are equal in length to the cybersecurity training programs
25 certified under Section 2054.519.

26 (b) To be certified under Subsection (a), an artificial
27 intelligence training program must:

1 (1) focus on forming an understanding of how
2 artificial intelligence technology may be used in relation to a
3 state employee's responsibilities and duties; and

4 (2) teach best practices on literacy in deploying and
5 operating the artificial intelligence technologies.

6 (c) The department may identify and certify under
7 Subsection (a) training programs provided by state agencies and
8 local governments that satisfy the training requirements described
9 by Subsection (b).

10 (d) The department may contract with an independent third
11 party to certify artificial intelligence training programs under
12 this section.

13 (e) The department shall annually publish on the
14 department's Internet website the list of artificial intelligence
15 training programs certified under this section.

16 SECTION 8. Section 2056.002(b), Government Code, is amended
17 to read as follows:

18 (b) The Legislative Budget Board and the governor's office
19 shall determine the elements required to be included in each
20 agency's strategic plan. Unless modified by the Legislative Budget
21 Board and the governor's office, and except as provided by
22 Subsection (c), a plan must include:

23 (1) a statement of the mission and goals of the state
24 agency;

25 (2) a description of the indicators developed under
26 this chapter and used to measure the output and outcome of the
27 agency;

1 (3) identification of the groups of people served by
2 the agency, including those having service priorities, or other
3 service measures established by law, and estimates of changes in
4 those groups expected during the term of the plan;

5 (4) an analysis of the use of the agency's resources to
6 meet the agency's needs, including future needs, and an estimate of
7 additional resources that may be necessary to meet future needs;

8 (5) an analysis of expected changes in the services
9 provided by the agency because of changes in state or federal law;

10 (6) a description of the means and strategies for
11 meeting the agency's needs, including future needs, and achieving
12 the goals established under Section 2056.006 for each area of state
13 government for which the agency provides services;

14 (7) a description of the capital improvement needs of
15 the agency during the term of the plan and a statement, if
16 appropriate, of the priority of those needs;

17 (8) identification of each geographic region of this
18 state, including the Texas-Louisiana border region and the
19 Texas-Mexico border region, served by the agency, and if
20 appropriate the agency's means and strategies for serving each
21 region;

22 (9) a description of the training of the agency's
23 contract managers under Section 656.052;

24 (10) an analysis of the agency's expected expenditures
25 that relate to federally owned or operated military installations
26 or facilities, or communities where a federally owned or operated
27 military installation or facility is located;

1 (11) an analysis of the strategic use of information
2 resources as provided by the instructions prepared under Section
3 2054.095;

4 (12) a written certification of the agency's
5 compliance with the cybersecurity training and the artificial
6 intelligence training required under Sections 2054.5191 and
7 2054.5192; and

8 (13) other information that may be required.

9 SECTION 9. As soon as practicable after the effective date
10 of this Act, the Department of Information Resources shall adopt
11 the rules necessary to develop and implement the artificial
12 intelligence training programs required by Section 2054.5193,
13 Government Code, as added by this Act.

14 SECTION 10. This Act takes effect September 1, 2025.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 26, 2025

TO: Honorable Dustin Burrows, Speaker of the House, House of Representatives

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3512 by Capriglione (Relating to artificial intelligence training programs for certain employees and officials of state agencies and local governments.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would create a state-certified artificial intelligence (AI) training program and establish training requirements for local governments and certain school district and state employees. It is assumed that any related costs could be absorbed using existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 242 State Commission on Judicial Conduct, 304 Comptroller of Public Accounts, 313 Department of Information Resources, 320 Texas Workforce Commission, 352 Bond Review Board, 452 Department of Licensing and Regulation, 503 Texas Medical Board, 529 Health and Human Services Commission, 582 Commission on Environmental Quality, 601 Department of Transportation, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration

LBB Staff: JMc, SD, RStu, WP, THO, KTw

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 22, 2025

TO: Honorable Charles Schwertner, Chair, Senate Committee on Business & Commerce

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3512 by Capriglione (relating to artificial intelligence training programs for certain employees and officials of state agencies and local governments.), **Committee Report 2nd House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would create a state-certified artificial intelligence (AI) training program and establish training requirements for local governments and certain school district and state employees. It is assumed that any related costs could be absorbed using existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 242 State Commission on Judicial Conduct, 304 Comptroller of Public Accounts, 313 Department of Information Resources, 320 Texas Workforce Commission, 352 Bond Review Board, 452 Department of Licensing and Regulation, 503 Texas Medical Board, 529 Health and Human Services Commission, 582 Commission on Environmental Quality, 601 Department of Transportation, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration

LBB Staff: JMc, RStu, WP, THO, KTw

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 18, 2025

TO: Honorable Charles Schwertner, Chair, Senate Committee on Business & Commerce

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3512 by Capriglione (Relating to artificial intelligence training programs for certain employees and officials of state agencies and local governments.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would create a state-certified artificial intelligence (AI) training program and establish training requirements for local governments and certain school district and state employees. It is assumed that any related costs could be absorbed using existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 242 State Commission on Judicial Conduct, 304 Comptroller of Public Accounts, 313 Department of Information Resources, 320 Texas Workforce Commission, 352 Bond Review Board, 452 Department of Licensing and Regulation, 503 Texas Medical Board, 529 Health and Human Services Commission, 582 Commission on Environmental Quality, 601 Department of Transportation, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration

LBB Staff: JMc, RStu, WP, THO, KTw

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

April 1, 2025

TO: Honorable Giovanni Capriglione, Chair, House Committee on Delivery of Government Efficiency

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3512 by Capriglione (Relating to artificial intelligence training programs for certain employees and officials of state agencies and local governments.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would create a state-certified artificial intelligence (AI) training program and establish training requirements for local governments and certain school district and state employees. It is assumed that any related costs could be absorbed using existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 242 State Commission on Judicial Conduct, 304 Comptroller of Public Accounts, 313 Department of Information Resources, 320 Texas Workforce Commission, 352 Bond Review Board, 452 Department of Licensing and Regulation, 503 Texas Medical Board, 529 Health and Human Services Commission, 582 Commission on Environmental Quality, 601 Department of Transportation, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration

LBB Staff: JMc, RStu, THO, KTw