

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS
FISCAL IMPACT STATEMENT**

LS 7184
BILL NUMBER: HB 1296

NOTE PREPARED: Jan 1, 2025
BILL AMENDED:

SUBJECT: Artificial Intelligence Inventory and Policies.

FIRST AUTHOR: Rep. Errington
FIRST SPONSOR:

BILL STATUS: As Introduced

**FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL**

IMPACT: State & Local

Summary of Legislation: This bill requires the Department of Education (DOE) to establish the following:

- (1) Guidelines and a model policy regarding school artificial intelligence policies.
- (2) An inventory of artificial intelligence platforms that includes certain information.
- (3) A process and review by which teachers and school administrators may submit an artificial intelligence platform for inclusion on the inventory.

The bill requires the DOE to:

- (1) conduct a survey of teachers and students regarding artificial intelligence platforms; and
- (2) submit a report regarding the results of the survey to the Governor, Legislative Council, and members of the Artificial Intelligence Task Force.

The bill also requires school corporations and charter schools to adopt, post, and communicate to students a school policy regarding artificial intelligence. It prohibits school corporations, charter schools, and employees of a school corporation or charter school from penalizing a student based solely on evidence provided by an artificial intelligence detector.

Effective Date: July 1, 2025.

Explanation of State Expenditures: The bill's requirements are a minor workload increase for DOE that would be completed with existing staff and resources. [DOE previously selected artificial intelligence platform vendors and conducted a survey of teachers and students on the platforms' performance as part of its AI-Powered Platform Pilot Grant].

Explanation of State Revenues:

Explanation of Local Expenditures: Public schools without a policy on artificial intelligence will be required to adopt a policy and post and communicate that policy, a minor workload increase that would be completed with existing staff and resources.

Explanation of Local Revenues:

State Agencies Affected: Department of Education.

Local Agencies Affected: Public schools.

Information Sources: https://drive.google.com/file/d/13eJJ5dICQqvD7q212qWwhp4t8vuec_nt/view?pli=1

Fiscal Analyst: Austin Spears, 317-234-9454.