

### Fiscal Estimate - 2023 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>23-5817/1</b>	<b>Introduction Number</b> <b>SB-1010</b>
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**Description**  
 use of artificial intelligence by state agencies and staff reduction goals

**Fiscal Effect**

**State:**

No State Fiscal Effect  
 Indeterminate

<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs
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**Local:**

No Local Government Costs  
 Indeterminate

1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<b>5. Types of Local Government Units Affected</b> <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others      0 <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
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<b>Fund Sources Affected</b>	<b>Affected Ch. 20 Appropriations</b>
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	

<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
DOC/ Michael Slana (608) 240-5414	Anna Neal (608) 228-1331	2/19/2024

**Fiscal Estimate Narratives**

**DOC 2/19/2024**

LRB Number	<b>23-5817/1</b>	Introduction Number	<b>SB-1010</b>	Estimate Type	<b>Original</b>
<b>Description</b> use of artificial intelligence by state agencies and staff reduction goals					

**Assumptions Used in Arriving at Fiscal Estimate**

Under current law, the Department of Corrections (DOC) and other applicable state agencies are required to submit their biennial budget requests to the Department of Administration (DOA) by September 15 of each even-numbered year. This bill requires, beginning in 2030, each submission to include a proposal to reduce the total number of the agency's position authorizations for each fiscal year of the succeeding fiscal biennium using as a base the agency's total number of position authorizations in the 2023-24 fiscal year.

It is unclear how much staff resources would be required to conduct this biennial review of DOC's full-time equivalent (FTE) state employee positions.

The bill also requires each applicable agency, beginning in 2026, to submit a report to the legislature by June 30 of each even-numbered year that identifies FTE positions within the agency whose work could be made more efficient through the use of artificial intelligence (AI) tools and that describes the agency's progress toward meeting the position authorization reduction goal described above. The annual report must also include updates on the information provided in the audit required under the bill, which would be conducted by the Legislative Audit Bureau (LAB), relating to agency use of AI tools.

Presently, the only AI tool, as defined by the bill, that DOC utilizes is Machine Learning (ML) within the department's Business Objects system. If the department's usage of AI expands in the future, this bill's biennial AI tool information reporting requirements could have a workload impact on the department. The department does not have any industry data to indicate that current AI tool offerings could create sufficient efficiencies to allow for a reduction of FTE positions (or other positions, such as contractors) in the department. Were this to change with the future evolution of AI products, there could be a workload impact as DOC analyzes those future offerings and how they may impact each type of job across the department.

**Long-Range Fiscal Implications**