Fiscal Estimate - 2023 Session

☒ Original ☐ Updated ☐ Corrected ☐ Supplemental

LRB Number 23-5817/1	Introduction Number SB-1010

Description
use of artificial intelligence by state agencies and staff reduction goals

Fiscal Effect

State:
☐ No State Fiscal Effect
☒ Indeterminate

☐ Increase Existing Appropriations ☐ Increase Existing Revenues ☐ Increase Costs - May be possible to absorb within agency's budget
☐ Decrease Existing Appropriations ☐ Decrease Existing Revenues   ☐ Yes   ☐ No
☐ Create New Appropriations ☐ Decrease Costs

Local:
☐ No Local Government Costs
☐ Indeterminate

1. ☐ Increase Costs   3. ☐ Increase Revenue
   ☐ Permissive ☐ Mandatory   ☐ Permissive ☐ Mandatory
2. ☐ Decrease Costs   4. ☐ Decrease Revenue
   ☐ Permissive ☐ Mandatory   ☐ Permissive ☐ Mandatory

5. Types of Local Government Units Affected
☐ Towns ☐ Village ☐ Cities
☐ Counties ☐ Others
☐ School Districts ☐ WTCS Districts

Fund Sources Affected	Affected Ch. 20 Appropriations
☐ GPR ☐ FED ☐ PRO ☐ PRS ☐ SEG ☐ SEGS	

Agency/Prepared By	Authorized Signature	Date
PSC/ Jenna Schmidt (608) 267-7709	Jenna Schmidt (608) 267-7709	2/19/2024

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

Assumptions Used in Arriving at Fiscal Estimate

2023 Senate Bill 1010 requires agencies to prepare and submit a report with information about the use of artificial intelligence tools and position reduction progress, if any. The report is required beginning in 2026 and by June 30 of each even-numbered year thereafter. The bill also requires agencies, beginning with the 2031-33 biennial budget submission, to include in their submission a proposal for a reduction in the total number of the agency's position authorization for each fiscal year of the succeeding fiscal biennium, using the agency's total number of positions authorized in the 2023-24 fiscal year as a base. Additionally, the bill requires the Legislative Audit Bureau to audit each agency's use of artificial intelligence tools to increase efficiency and carry out the agency's functions. The audit report must be issued no later than June 30, 2025.

Under the bill, the Public Service Commission (PSC) would be required to prepare and submit the report described above beginning in 2026; to develop and submit a personnel reduction proposal beginning with its 2031-33 biennial budget submission; and to comply with the audit requirements described above. PSC anticipates it will be able to administratively absorb costs related to these activities within current position and expenditure authority.

At present, there do not appear to be potential efficiencies gained through the use of artificial intelligence tools equivalent to the deletion of authorized positions for the PSC. The PSC would comply with the report and proposal requirements, and it would provide the required justification for why position reductions are not possible.

Long-Range Fiscal Implications