

Fiscal Estimate Narratives

PSC 2/19/2024

LRB Number	23-5522/2	Introduction Number	AB-1068	Estimate Type	Original
Description use of artificial intelligence by state agencies and staff reduction goals					

Assumptions Used in Arriving at Fiscal Estimate

2023 Assembly Bill 1068 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