

Senate Fiscal Summary
2nd Session of the 60th Legislature



Senate Bill 2085

Version:	INT
Agency:	AG
Senate Author:	Hamilton
House Author:	
FY'27 Impact:	\$438,000
Full Year Impact:	\$658,000

**Bill Summary and
Fiscal Analysis:**

SB 2085 prohibits the state from establishing or renewing a contract with an entity that provides artificial intelligence technology unless the entity provides an affidavit stating that the entity is not owned by a foreign entity, does not have a government of a foreign adversary with a controlling interest, and is not in a country designated as a foreign adversary. The measure prohibits chatbot platforms from allowing a minor to create an account without the permission of their parent or legal guardian. The measure requires the platform to delete the account if the parent or legal guardian has not given consent for the minor to create an account, and account termination will need to be completed within 5 days of the request. The measure authorizes the Attorney General to collect a \$50,000 penalty, in addition to the \$10,000 fine for violating the provisions of this measure. The measure also establishes a \$1,000 fine for each unauthorized use of a person's information.

The Attorney General anticipates a need for 2 additional attorneys and 1-2 investigators to implement and enforce the provisions of the measure at a cost of \$658,000. The fiscal impact for FY'27 is \$438,000 and is prorated based 8 months given the effective date of November 1st. The fiscal impact every year thereafter is \$658,000. Fiscal impact provided by the Attorney General.