

The Senate Committee on Science and Technology offered the following substitute to HB 147:

A BILL TO BE ENTITLED  
AN ACT

1 To amend Part 1 of Article 3 of Chapter 5 of Title 50 of the Official Code of Georgia  
2 Annotated, relating to general authority, duties, and procedure of the Department of  
3 Administrative services relative to state purchasing, so as to prohibit a governmental entity  
4 from entering into contracts for the licensing of software applications that limit such  
5 governmental entity's ability to install or run such software applications on certain desktop  
6 or server hardware of such governmental entity's choosing; to amend Chapter 25 of Title 50  
7 of the Official Code of Georgia Annotated, relating to the Georgia Technology Authority,  
8 so as to provide for an annual inventory of artificial intelligence usage by state agencies; to  
9 provide for annual reports of such; to provide for the authority to develop and establish  
10 certain policies; to provide for definitions; to provide for related matters; to provide for an  
11 effective date and applicability; to repeal conflicting laws; and for other purposes.

12 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

13 **SECTION 1.**

14 Part 1 of Article 3 of Chapter 5 of Title 50 of the Official Code of Georgia Annotated,  
15 relating to general authority, duties, and procedure of the Department of Administrative

16 Services relative to state purchasing, is amended by adding a new Code section to read as  
17 follows:

18 "50-5-86.

19 (a) As used in this Code section, the term 'governmental entity' means any department,  
20 agency, board, bureau, commission, authority, county, municipal corporation, school  
21 system, or other political subdivision of this state.

22 (b) A contract procured by a governmental entity for the licensing of software applications  
23 designed to run on generally available desktop or server hardware shall not limit such  
24 governmental entity's ability to install or run such software applications on the desktop or  
25 server hardware of such governmental entity's choosing."

## 26 **SECTION 2.**

27 Chapter 25 of Title 50 of the Official Code of Georgia Annotated, relating to the Georgia  
28 Technology Authority, is amended by revising Code Section 50-25-7.9, which is reserved,  
29 as follows:

30 "50-25-7.9.

31 (a) As used in this Code section, the term 'artificial intelligence' means a machine based  
32 system that can, for a given set of human defined objectives, make predictions,  
33 recommendations, or decisions influencing real or virtual environments. Artificial  
34 intelligence systems use machine based and human based inputs to perceive real and virtual  
35 environments, abstract such perceptions into models through analysis in an automated  
36 manner, and use model inference to formulate options for information or action.

37 (b) The authority shall:

38 (1) Not later than December 31, 2026, and annually thereafter, conduct an inventory of  
39 all systems that employ artificial intelligence which are used to inform or materially  
40 support a conclusion, decision, or judgment made by any agency. Each inventory shall  
41 include, but not be limited to, the following information for each such system:

- 42 (A) The name of the system and the vendor, if any, that provided such system;  
43 (B) A description of the general capabilities and uses of such system; and  
44 (C) Whether such system underwent an impact assessment prior to implementation;  
45 and  
46 (2) Not later than December 31, 2027, develop and establish policies and procedures  
47 concerning the development, procurement, implementation, utilization, and ongoing  
48 assessment of systems that employ artificial intelligence and are in use by agencies.  
49 (c) The authority shall prepare an annual report on the inventory of artificial intelligence  
50 in use by agencies, as provided for in paragraph (1) of subsection (b) of this Code section.  
51 Such report shall be made electronically available to the Governor, Lieutenant Governor,  
52 and members of the House of Representatives and Senate.  
53 (d) All state agencies shall cooperate with the authority in the administration of this Code  
54 section. Reserved."

55 **SECTION 3.**

- 56 (a) This Act shall become effective upon its approval by the Governor or upon its becoming  
57 law without such approval.  
58 (b) This Act shall apply to all contracts for the licensing of software applications entered into  
59 by governmental entities on or after the effective date of this Act and to any renewals,  
60 modifications, or extensions of such agreements entered into on or after such date.

61 **SECTION 4.**

- 62 All laws and parts of laws in conflict with this Act are repealed.