

Fiscal Note

State of Alaska
2024 Legislative Session

Bill Version: SB 177
Fiscal Note Number: _____
() Publish Date: _____

Identifier: SB177 FY25-Fiscal-Note
Title: AI, DEEPFAKES, CYBERSECURITY, DATA
XFERS
Sponsor: HUGHES
Requester: (S) STA

Department: Department of Administration
Appropriation: Office of Information Technology
Allocation: Chief Information Officer
OMB Component Number: 3139

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2025 Appropriation Requested	Included in Governor's FY2025 Request	Out-Year Cost Estimates				
			FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
OPERATING EXPENDITURES	FY 2025	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Personal Services	2,686.0		2,686.0	2,686.0	2,686.0	2,686.0	2,686.0
Travel							
Services	2,625.0		135.0	135.0	135.0	135.0	135.0
Commodities	64.0		8.0	8.0	8.0	8.0	8.0
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	5,375.0	0.0	2,829.0	2,829.0	2,829.0	2,829.0	2,829.0

Fund Source (Operating Only)

1007 I/A Rcpts (Other)	5,375.0		2,829.0	2,829.0	2,829.0	2,829.0	2,829.0
Total	5,375.0	0.0	2,829.0	2,829.0	2,829.0	2,829.0	2,829.0

Positions

Full-time	16.0		16.0	16.0	16.0	16.0	16.0
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2024) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2025) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes
If yes, by what date are the regulations to be adopted, amended or repealed? TBD

Why this fiscal note differs from previous version/comments:

Not applicable; Initial version

Prepared By: <u>Bill Smith, Chief Information Officer</u>	Phone: <u>(907)269-6596</u>
Division: <u>Office of Information Technology</u>	Date: <u>01/25/2024</u>
Approved By: <u>Leslie Isaacs, Administrative Services Director</u>	Date: <u>01/26/24</u>
Agency: <u>Department of Administration</u>	

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2024 LEGISLATIVE SESSION

BILL NO. SB177A

Analysis

This bill establishes reporting, assessment, and legal requirements for Artificial Intelligence system uses within the information technology environment in the Executive Branch. Cataloging, identifying, and monitoring the use of artificial intelligence as defined in this bill will result in additional workload for the Office of Information Technology as well as departments across the Executive branch. The Agency is unable to absorb the additional workload increases. The agency is therefore requesting contractual support, a software tool, and System Programmers necessary to implement an effective AI tracking and monitoring program.

Add 1 OIT Systems Programmer 4 Position (Juneau Range 25 Step C)

Personnel Services - \$188.5

Commodities - \$4.0 first year for equipment and supplies, \$1.0 annually for supplies

Add 15 Department Systems Programmer 3 Positions (Juneau Range 23 Step C)

Personnel Services - \$2,497.5

Commodities - \$60.0 first year for equipment and supplies, \$7.0 annually for supplies

Add Software Tools

Design and Implementation Contractual Services - \$2,525.0 onetime cost

Initial Purchase of Software Tool - \$100.0 onetime cost

Annual Recurring Cost of Software Tool - \$110.0 recurring

Legal Fees - \$5.0 recurring

Training - \$20.0 recurring