**JOINT COMMITTEE ON
INFORMATION MANAGEMENT
AND TECHNOLOGY**

Sen. Aaron Woods, Senate Co-Chair
Rep. Nancy Nathanson, House Co-Chair
Sen. James Manning, Jr.
Sen. Noah Robinson
Rep. Daniel Nguyen
Rep. Darcey Edwards

To: Joint Legislative Committee on Information Management and Technology

From: Sean McSpaden, Legislative Fiscal Office

Date: May 9, 2025

Subject: HB 3936 – Relating to the security of state assets: Work Session Recommendations

House Bill 3936 prohibits any hardware, software or service that uses artificial intelligence from being installed or downloaded onto or used or accessed by state information technology assets if the artificial intelligence is developed or owned by a corporate entity that is incorporated or registered under the laws of a foreign country.

Materials related to House Bill 3936 are posted on OLIS.

The -1 Amendment defines the term "artificial intelligence" and modifies the definition of a "covered product," by removing reference to the development or ownership of artificial intelligence enabled hardware, software or services by "a corporate entity that is incorporated or registered under the laws of a foreign country" and instead relies on the existing statutory definition of a "covered vendor."

Recommended Changes - Amendment

LFO recommends adoption of the -1 amendment.

> MOTION: I move adoption of the -1 amendment to House Bill 3936. (VOTE)

Final Committee Action

LFO recommends that House Bill 3936 be reported out of the Joint Legislative Committee on Information Management and Technology with a "do pass as amended" recommendation.

> MOTION: I move that House Bill 3936 be reported out with a "do pass as amended" recommendation. (VOTE)

Carriers   House Floor: _____   Senate Floor: _____