

# SB1700 • Texas

Relating to the artificial intelligence division within the Department of Information Resources.

Introduced

Risk: Low

Comprehensive

Effective: Sep 01, 2025 | Last Action (Mar 11, 2025): Referred to Business & Commerce

## Summary

SB1700 establishes an AI division within the Texas Department of Information Resources to assist with generative AI projects.

## Business Impact

If you contract with the Texas DIR for AI projects, ensure your AI completes 90% of the work by September 1, 2025.

## Key Provisions

- Establishment of AI division within the Texas Department of Information Resources (Sec. 2054.701)
- Assistance with generative AI technology for modernizing legacy systems (Sec. 2054.702)
- Requirement for vendor AI technology to complete 90% of contracted work (Sec. 2054.702)
- Mandates cost analysis reports for AI projects (Sec. 2054.703)
- Authorizes rule adoption for division administration (Sec. 2054.704)

## Compliance Checklist

- Establish an AI division within the department. | Who: Texas Department of Information Resources
- Ensure vendor AI technology completes 90% of work. | Who: Contracted vendors | Penalty: Contractual issues
- Prepare cost analysis reports for AI projects. | Who: AI division

## Industries Affected

## Official Source

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<https://capitol.texas.gov/tlodocs/89R/billtext/html/SB01700l.htm>

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