

By: Capriglione

____.B. No. _____

A BILL TO BE ENTITLED

AN ACT

relating to the regulation and reporting on the use of artificial intelligence systems by certain business entities and state agencies; providing civil penalties.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. This Act may be cited as the Texas Responsible AI Governance Act

SECTION 2. Title 11, Business & Commerce Code, is amended by adding Subtitle D to read as follows:

SUBTITLE D. ARTIFICIAL INTELLIGENCE PROTECTION

CHAPTER 551. ARTIFICIAL INTELLIGENCE PROTECTION

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 551.001. DEFINITIONS. In this chapter:

(1) "Algorithmic discrimination" means any condition in which an artificial intelligence system when deployed creates an unlawful differential treatment or impact that disfavors an individual or group of individuals on the basis of their actual or perceived age, color, disability, ethnicity, genetic information, national origin, race, religion, sex, veteran status, or other protected classification in violation of the laws of this state or federal law.

(A) "Algorithmic discrimination" does not include the offer, license, or use of a high-risk artificial intelligence system by a developer or deployer for the sole purpose of the

1 developer's or deployer's self-testing to identify, mitigate, or
2 prevent discrimination or otherwise ensure compliance with state
3 and federal law.

4 (2) "Artificial intelligence system" means a machine-
5 based system capable of:

6 (A) perceiving an environment through data
7 acquisition and processing and interpreting the derived
8 information to take an action or actions or to imitate intelligent
9 behavior given a specific goal; and

10 (B) learning and adapting behavior by analyzing how
11 the environment is affected by prior actions.

12 (3) "Council" means the Artificial Intelligence Council
13 established under Chapter 553.

14 (4) "Consequential decision" means a decision that has
15 a material legal, or similarly significant, effect on a consumer's
16 access to, cost of, or terms of:

17 (A) a criminal case assessment, a sentencing or
18 plea agreement analysis, or a pardon, parole, probation, or release
19 decision;

20 (B) education enrollment or an education
21 opportunity;

22 (C) employment or an employment opportunity;

23 (D) a financial service;

24 (E) an essential government service;

25 (F) electricity services;

26 (G) food;

27 (H) a health-care service;

- 1 (I) housing;
- 2 (J) insurance;
- 3 (K) a legal service;
- 4 (L) a transportation service;
- 5 (M) surveillance or monitoring systems; or
- 6 (N) water.
- 7 (m) elections

8 (5) "Consumer" means an individual who is a resident of
9 this state.

10 (6) "Contributing factor" means a factor intended:

11 (A) to be considered solely or with other criteria;

12 or

13 (B) to overrule conclusions from other factors in
14 making a consequential decision or altering the outcome of a
15 consequential decision.

16 (7) "Deploy" means to put into effect or commercialize.

17 (8) "Deployer" means a person doing business in this
18 state that deploys a high-risk artificial intelligence system.

19 (9) "Developer" means a person doing business in this
20 state that develops a high-risk artificial intelligence system or
21 substantially or intentionally modifies an artificial intelligence
22 system.

23 (10) "Digital service" and "Digital service provider"
24 have the meanings assigned by Section 509.001, Business & Commerce
25 Code.

1 (11) "Distributor" means a person, other than the
2 Developer, that makes an artificial intelligence system available
3 in the market.

4 (12) "Generative artificial intelligence" means
5 artificial intelligence models that can emulate the structure and
6 characteristics of input data in order to generate derived
7 synthetic content. This can include images, videos, audio, text,
8 and other digital content.

9 (13) "High-risk artificial intelligence system" means
10 any artificial intelligence system that, when deployed, makes, or
11 is a contributing factor in making, a consequential decision. The
12 term does not include:

13 (A) an artificial intelligence system if the
14 artificial intelligence system is intended to detect decision-
15 making patterns or deviations from prior decision-making patterns
16 and is not intended to replace or influence a previously completed
17 human assessment without sufficient human review;

18 (B) an artificial intelligence system that violates
19 a provision of Subchapter B; or

20 (C) the following technologies, unless the
21 technologies, when deployed, make, or are a contributing factor in
22 making, a consequential decision:

23 (i) anti-malware;

24 (ii) anti-virus;

25 (iii) calculators;

26 (iv) cybersecurity;

27 (v) databases;

1 (vi) data storage;
2 (vii) firewall;
3 (viii) internet domain registration;
4 (ix) internet website loading;
5 (x) networking;
6 (xi) spam- and robocall-filtering;
7 (xii) spell-checking;
8 (xiii) spreadsheets;
9 (xiv) web caching;
10 (xv) web hosting or any similar technology; or
11 (xvi) any technology that solely communicates
12 in natural language for the sole purpose of providing users with
13 information, making referrals or recommendations, and answering
14 questions and is subject to an accepted use policy that prohibits
15 generating content that is discriminatory or harmful, as long as
16 the system does not violate any provision listed in Subchapter B.

17 (14) "Personal data" has the meaning assigned to it by
18 Section 541.001, Business and Commerce Code.

19 (15) "Risk" means the composite measure of an event's
20 probability of occurring and the magnitude or degree of the
21 consequences of the corresponding event.

22 (16) "Sensitive personal attribute" means race,
23 political opinions, religious or philosophical beliefs, or sex.
24 The term does not include conduct that would be classified as an
25 offense under Chapter 21, Penal Code.

26 (17) "Social media platform" has the meaning assigned by
27 Section 120.001, Business and Commerce Code.

1 (18) "Intentional and substantial modification" or
2 "Substantial Modification" means a deliberate change made to an
3 artificial intelligence system that results in any new reasonably
4 foreseeable risk of algorithmic discrimination.

5 Sec. 551.002. APPLICABILITY OF CHAPTER. This chapter applies
6 only to a person that is not a small business as defined by the
7 United States Small Business Administration, and:

8 (1) conducts business, promotes, or advertises in this
9 state or produces a product or service consumed by residents of
10 this state; or

11 (2) engages in the development, distribution, or
12 deployment of a high-risk artificial intelligence system in this
13 state.

14 Sec. 551.003. DEVELOPER DUTIES. (a) A developer of a high-
15 risk artificial intelligence system shall use reasonable care to
16 protect consumers from any known or reasonably foreseeable risks
17 of algorithmic discrimination arising from the intended and
18 contracted uses of the high-risk artificial intelligence system.

19 (b) Prior to providing a high-risk artificial intelligence
20 system to a deployer, a developer shall provide to the deployer,
21 in writing, a High-Risk Report that consists of:

22 (1) a statement describing how the high-risk artificial
23 intelligence system should be used, not be used, and be monitored
24 by an individual when the high-risk artificial intelligence system
25 is used to make, or is a substantial factor in making, a
26 consequential decision;

1 (2) any known limitations of the system, the metrics
2 used to measure the system's performance, and how the system
3 performs under those metrics in its intended use contexts;

4 (3) any known or reasonably foreseeable risks of
5 algorithmic discrimination, unlawful use or disclosure of personal
6 data, or deceptive manipulation or coercion of human behavior
7 arising from its intended or likely use;

8 (4) a description of the type of data used to program or
9 train the high-risk artificial intelligence system;

10 (5) the data governance measures used to cover the
11 training datasets and their collection, the measures used to
12 examine the suitability of data sources, possible unlawful
13 discriminatory biases, and appropriate mitigation; and

14 (6) appropriate principles, processes, and personnel for
15 the deployers' risk management policy.

16 (c) If a high-risk artificial intelligence system is
17 intentionally or substantially modified after a developer provides
18 it to a deployer, a developer shall provide a new High-Risk Report
19 in writing within 30 days of the modification.

20 (d) If a developer of a high-risk artificial intelligence
21 system considers or has reason to consider that a high-risk
22 artificial intelligence system that it has placed in the market or
23 put into service is not in compliance with any requirement in this
24 chapter, it shall immediately take the necessary corrective
25 actions to bring that system into compliance, to withdraw it, to
26 disable it, or to recall it, as appropriate. They shall inform the

1 distributors of the high-risk artificial intelligence system
2 concerned and, where applicable, the deployers.

3 (e) Where the high-risk artificial intelligence system
4 presents risks of algorithmic discrimination, unlawful use or
5 disclosure of personal data, or deceptive manipulation or coercion
6 of human behavior and the developer becomes aware or should
7 reasonably be aware of that risk, it shall immediately investigate
8 the causes, in collaboration with the deployer, where applicable,
9 and inform the attorney general of the nature of the non-compliance
10 and of any relevant corrective action taken.

11 (f) Developers shall keep detailed records of any generative
12 artificial intelligence training dataset used to develop a
13 generative artificial intelligence system or service. Record
14 keeping shall follow the suggested actions under GV-1.2-007 of the
15 current version of the Artificial Intelligence Risk Management
16 Framework: Generative Artificial Intelligence Profile by the
17 National Institute of Standards and Technology.

18 Sec. 551.004. DISTRIBUTOR DUTIES. A distributor of a high-
19 risk artificial intelligence system shall use reasonable care to
20 protect consumers from any known or reasonably foreseeable risks
21 of algorithmic discrimination. If a distributor of a high-risk
22 artificial intelligence system considers or has reason to consider
23 that a high-risk artificial intelligence system is not in
24 compliance with any requirement in this chapter, it shall
25 immediately withdraw, disable, recall as appropriate, the high-
26 risk artificial intelligence system from the market until the
27 system has been brought into compliance with the requirements of

1 this chapter. The distributor shall inform the developers of the
2 high-risk artificial intelligence system concerned and, where
3 applicable, the deployers.

4 Sec. 551.005. DEPLOYER DUTIES. A deployer of a high-risk
5 artificial intelligence system shall use reasonable care to
6 protect consumers from any known or reasonably foreseeable risks
7 of algorithmic discrimination. If a deployer of a high-risk
8 artificial intelligence system considers or has reason to consider
9 that a high-risk artificial intelligence system is not in
10 compliance with any requirement in this chapter, it shall
11 immediately suspend the use of the high-risk artificial
12 intelligence system from the market until the system has been
13 brought into compliance with the requirements of this chapter. The
14 deployer shall inform the developers of the high-risk artificial
15 intelligence system concerned and, where applicable, the
16 distributors. Deployers of a high-risk artificial intelligence
17 system shall assign human oversight, by persons who have the
18 necessary competence, training and authority, as well as the
19 necessary support, to oversee consequential decisions made by the
20 use of a high-risk artificial intelligence system.

21 Sec. 551.006. IMPACT ASSESSMENTS. (a) A deployer that deploys
22 a high-risk artificial intelligence system shall complete an
23 impact assessment for the high-risk artificial intelligence system
24 semiannually and within ninety days after any intentional and
25 substantial modification to the high-risk artificial intelligence
26 system is made available. An impact assessment must include, at a

1 minimum, and to the extent reasonably known by or available to the
2 deployer:

3 (1) a statement by the deployer disclosing the purpose,
4 intended use cases, and deployment context of, and benefits
5 afforded by, the high-risk artificial intelligence system;

6 (2) an analysis of whether the deployment of the high-
7 risk artificial intelligence system poses any known or reasonably
8 foreseeable risks of algorithmic discrimination and, if so, the
9 nature of the algorithmic discrimination and the steps that have
10 been taken to mitigate the risks;

11 (3) a description of the categories of data the high-
12 risk artificial intelligence system processes as inputs and the
13 outputs the high-risk artificial intelligence system produces;

14 (4) if the deployer used data to customize the high-risk
15 artificial intelligence system, an overview of the categories of
16 data the deployer used to customize the high-risk artificial
17 intelligence system;

18 (5) any metrics used to evaluate the performance and
19 known limitations of the high-risk artificial intelligence system;

20 (6) a description of any transparency measures taken
21 concerning the high-risk artificial intelligence system, including
22 any measures taken to disclose to a consumer that the high-risk
23 artificial intelligence system is in use when the high-risk
24 artificial intelligence system is in use;

25 (7) a description of the post-deployment monitoring and
26 user safeguards provided concerning the high-risk artificial
27 intelligence system, including the oversight, use, and learning

1 process established by the deployer to address issues arising from
2 the deployment of the high-risk artificial intelligence system;
3 and

4 (8) a description of cybersecurity measures and threat
5 modeling conducted on the system.

6 (b) Following an intentional and substantial modification to
7 a high-risk artificial intelligence system, a deployer must
8 disclose the extent to which the high-risk artificial intelligence
9 system was used in a manner that was consistent with, or varied
10 from, the developer's intended uses of the high-risk artificial
11 intelligence system.

12 (c) A single impact assessment may address a comparable set
13 of high-risk artificial intelligence systems deployed by a
14 deployer.

15 (d) A deployer shall maintain the most recently completed
16 impact assessment for a high-risk artificial intelligence system,
17 all records concerning each impact assessment, and all prior impact
18 assessments, if any, for at least three years following the final
19 deployment of the high-risk artificial intelligence system.

20 (e) At least annually, a deployer must review the deployment
21 of each high-risk artificial intelligence system deployed by the
22 deployer to ensure that the high-risk artificial intelligence
23 system is not causing algorithmic discrimination.

24 (f) A deployer may redact or omit any trade secrets as defined
25 by Section 541.001(33), Business & Commerce Code or information
26 protected from disclosure by state or federal law.

1 (g) Except as provided in subsection (e) of this section, a
2 developer that makes a high-risk artificial intelligence system
3 available to a deployer shall make available to the deployer the
4 documentation and information necessary for a deployer to complete
5 an impact assessment pursuant to this section.

6 (h) A developer that also serves as a deployer for a high-risk
7 artificial intelligence system is not required to generate and
8 store an impact assessment unless the high-risk artificial
9 intelligence system is provided to an unaffiliated deployer.

10 Sec. 551.007. DISCLOSURE OF A HIGH-RISK ARTIFICIAL
11 INTELLIGENCE SYSTEM TO CONSUMERS. (a) A deployer or developer that
12 deploys, offers, sells, leases, licenses, gives, or otherwise
13 makes available a high-risk artificial intelligence system that is
14 intended to interact with consumers shall disclose to each
15 consumer, before or at the time of interaction:

16 (1) that the consumer is interacting with an artificial
17 intelligence system;

18 (2) the purpose of the system;

19 (3) that the system may or will make a consequential
20 decision affecting the consumer;

21 (4) the nature of any consequential decision in which
22 the system is or may be a contributing factor;

23 (5) the factors to be used in making any consequential
24 decisions;

25 (6) contact information of the deployer;

26 (7) a description of:

27 (A) any human components of the system;

1 (B) any automated components of the system; and
2 (C) how human and automated components are used to
3 inform a consequential decision; and

4 (8) a declaration of the consumer's rights under Section
5 551.107.

6 (b) Disclosure is required under subsection (a) of this
7 section regardless of whether it would be obvious to a reasonable
8 person that the person is interacting with an artificial
9 intelligence system.

10 (c) All disclosures under subsection (a) shall be conspicuous
11 and written in plain language.

12 Sec. 551.008. RISK IDENTIFICATION AND MANAGEMENT POLICY. (a)
13 A developer or deployer of a high-risk artificial intelligence
14 system shall, prior to deployment, identify potential risks of
15 algorithmic discrimination and implement a risk management policy
16 to govern the development or deployment of the high-risk artificial
17 intelligence system. The risk management policy shall:

18 (1) specify and incorporate the principles and processes
19 that the developer or deployer uses to identify, document, and
20 mitigate, in the development or deployment of a high-risk
21 artificial intelligence system:

22 (A) known or reasonably foreseeable risks of
23 algorithmic discrimination;

24 (B) prohibited uses and unacceptable risks under
25 Subchapter B; and

26 (C) potential systemic risks of other unintended or
27 harmful impacts; and

1 (2) be reasonable in size, scope, and breadth,
2 considering:

3 (A) guidance and standards set forth in the current
4 "Artificial Intelligence Risk Management Framework" published by
5 the National Institute of Standards and Technology;

6 (B) any existing risk management guidance,
7 standards or framework applicable to artificial intelligence
8 systems designated by the Banking Commissioner or Insurance
9 Commissioner, if the developer or deployer is regulated by the
10 Department of Banking or Department of Insurance;

11 (C) the size and complexity of the developer or
12 deployer;

13 (D) the nature, scope, and intended use of the high-
14 risk artificial intelligence systems developed or deployed; and

15 (E) the sensitivity and volume of data processed in
16 connection with the high-risk artificial intelligence systems.

17 (b) A risk management policy implemented pursuant to this
18 section may apply to more than one high-risk artificial
19 intelligence system developed or deployed, so long as the developer
20 or deployer complies with all of the forgoing requirements and
21 considerations in adopting and implementing the risk management
22 policy with respect to each high-risk artificial intelligence
23 system covered by the policy.

24 Sec. 551.009. RELATIONSHIPS BETWEEN ARTIFICIAL INTELLIGENCE
25 PARTIES. Any distributor, deployer, or other third-party shall be
26 considered to be a developer of a high-risk artificial intelligence
27 system for the purposes of this chapter and shall be subject to

1 the obligations and duties of a developer under this chapter in
2 any of the following circumstances:

3 (1) they put their name or trademark on a high-risk
4 artificial intelligence system already placed in the market or put
5 into service, without prejudice to contractual arrangements
6 stipulating that the obligations are otherwise allocated;

7 (2) they modify a high-risk artificial intelligence
8 system that has already been placed in the market or has already
9 been put into service in such a way that it remains a high-risk
10 artificial intelligence system under this chapter;

11 (3) they modify the intended purpose of an artificial
12 intelligence system, including a general-purpose artificial
13 intelligence system, which has not been classified as high-risk
14 and has already been placed in the market or put into service in
15 such a way that the artificial intelligence system concerned
16 becomes a high-risk artificial intelligence system in accordance
17 with this chapter of a high-risk artificial intelligence system.

18 Sec. 551.010. DIGITAL SERVICE PROVIDER AND SOCIAL MEDIA
19 PLATFORM DUTIES REGARDING ARTIFICIAL INTELLIGENCE SYSTEMS. A
20 digital service provider as defined by Section 509.001(2),
21 Business & Commerce Code or a social media platform as defined by
22 Section 120.001(1), Business & Commerce Code, shall make a
23 commercially reasonable effort to prevent advertisers on the
24 service or platform from deploying a high-risk artificial
25 intelligence system on the service or platform that could expose
26 the users of the service or platform to algorithmic discrimination.

1 Sec. 551.011. REPORTING REQUIREMENTS. (a) A deployer must
2 notify, in writing, the council, the attorney general, or the
3 director of the appropriate state agency that regulates the
4 deployer's industry, and affected consumers as soon as practicable
5 and not later than the 10th day after the date on which the deployer
6 discovers or is made aware that a deployed high-risk artificial
7 intelligence system has caused or is likely to result in:

8 (1) algorithmic discrimination of an individual or
9 group of individuals; or

10 (2) an inappropriate or discriminatory consequential
11 decision.

12 (b) If a developer discovers or is made aware that a deployed
13 high-risk artificial intelligence system is using inputs or
14 providing outputs that constitute a violation of Subchapter B, the
15 deployer must cease operation of the offending system as soon as
16 technically feasible and provide notice to the council and the
17 attorney general as soon as practicable and not later than the
18 10th day after the date on which the developer discovers or is
19 made aware of the unacceptable risk.

20 Sec. 551.012. SANDBOX PROGRAM EXCEPTION. (a) Excluding
21 violations of Subchapter B, this chapter does not apply to the
22 development of an artificial intelligence system that is used
23 exclusively for research, training, testing, or other pre-
24 deployment activities performed by active participants of the
25 sandbox program in compliance with Chapter 552.

26 SUBCHAPTER B. PROHIBITED USES AND UNACCEPTABLE RISK

1 Sec. 551.051. MANIPULATION OF HUMAN BEHAVIOR TO CIRCUMVENT
2 INFORMED DECISION-MAKING. An artificial intelligence system shall
3 not be developed or deployed that uses subliminal techniques beyond
4 a person's consciousness, or purposefully manipulative or
5 deceptive techniques, with the objective or the effect of
6 materially distorting the behavior of a person or a group of
7 persons by appreciably impairing their ability to make an informed
8 decision, thereby causing a person to make a decision that the
9 person would not have otherwise made, in a manner that causes or
10 is likely to cause significant harm to that person or another
11 person or group of persons.

12 Sec. 551.052. SOCIAL SCORING. An artificial intelligence
13 system shall not be developed or deployed for the evaluation or
14 classification of natural persons or groups of natural persons
15 based on their social behavior or known, inferred, or predicted
16 personal characteristics with the intent to determine a social
17 score or similar categorical estimation or valuation of a person
18 or groups of persons.

19 Sec. 551.053. CAPTURE OF BIOMETRIC IDENTIFIERS USING
20 ARTIFICIAL INTELLIGENCE. An artificial intelligence system shall
21 not be developed or deployed with the purpose or capability of
22 capturing, through the targeted or untargeted gathering of images
23 or other media from the internet or any other publicly available
24 source, a biometric identifier of an individual. An individual is
25 not considered to be informed nor to have provided consent pursuant
26 to Section 503.001(b), Business and Commerce Code, based solely
27 upon the existence on the internet, or other publicly available

1 source, of an image or other media containing one or more biometric
2 identifiers.

3 Sec. 551.054. CATEGORIZATION BASED ON SENSITIVE ATTRIBUTES.

4 An artificial intelligence system shall not be developed or
5 deployed that infers or interprets, or is capable of inferring or
6 interpreting, sensitive personal attributes of a person or group
7 of persons using biometric identifiers, except for the labeling or
8 filtering of lawfully acquired biometric identifier data.

9 Sec. 551.055. UTILIZATION OF PERSONAL ATTRIBUTES FOR HARM. An
10 artificial intelligence system shall not utilize characteristics
11 of a person or a specific group of persons based on their race,
12 color, disability, religion, sex, national origin, age, or a
13 specific social or economic situation, with the objective, or the
14 effect, of materially distorting the behavior of that person or a
15 person belonging to that group in a manner that causes or is
16 reasonably likely to cause that person or another person
17 significant harm.

18 Sec. 551.056. EMOTION RECOGNITION. Regardless of the intended
19 use or purpose, an artificial intelligence system shall not be
20 developed or deployed that infers, or is capable of inferring, the
21 emotions of a natural person without the express consent of the
22 natural person.

23 Sec. 551.057. CERTAIN SEXUALLY EXPLICIT VIDEOS, IMAGES, AND
24 CHILD PORNOGRAPHY. An artificial intelligence system shall not be
25 developed or deployed that produces, assists, or aids in producing,
26 or is capable of producing unlawful visual material in violation

1 of Section 43.26, Penal Code or an unlawful deep fake video or
2 image in violation of Section 21.165, Penal Code.

3 SUBCHAPTER C. ENFORCEMENT AND CONSUMER PROTECTIONS

4 Sec. 551.101. CONSTRUCTION AND APPLICATION. (a) This chapter
5 shall be broadly construed and applied to promote its underlying
6 purposes, which are:

7 (1) to facilitate and advance the responsible
8 development and use of artificial intelligence systems;

9 (2) to protect individuals and groups of individuals
10 from known, and unknown but reasonably foreseeable, risks,
11 including algorithmic discrimination, of the intentional or
12 unintentional use of artificial intelligence systems;

13 (3) to provide transparency regarding those risks in the
14 development, deployment, or use of artificial intelligence
15 systems; and

16 (4) to provide reasonable notice regarding the use or
17 considered use of artificial intelligence systems by state
18 agencies.

19 (b) this Act does not apply to the developer of an artificial
20 intelligence system who has released the system under a free and
21 open-source license, provided that:

22 (1) the system is not deployed as a high-risk artificial
23 intelligence system and the developer has taken reasonable steps
24 to ensure that the system cannot be used as a high-risk artificial
25 intelligence system without substantial modifications; and

26 (2) the weights and technical architecture of the system
27 are made publicly available.

1 Sec. 551.102. ENFORCEMENT AUTHORITY. The attorney general has
2 authority to enforce this chapter. Excluding violations of
3 Subchapter B, researching, training, testing, or the conducting of
4 other pre-deployment activities by active participants of the
5 sandbox program, in compliance with Chapter 552, does not subject
6 a developer or deployer to penalties or actions.

7 Sec. 551.103. INTERNET WEBSITE AND COMPLAINT MECHANISM. The
8 attorney general shall post on the attorney general's Internet
9 website:

10 (1) information relating to:

11 (A) the responsibilities of a developer,
12 distributor, and deployer under Subchapter A; and

13 (B) an online mechanism through which a consumer
14 may submit a complaint under this chapter to the attorney general.

15 Sec. 551.104. INVESTIGATIVE AUTHORITY. (a) If the attorney
16 general has reasonable cause to believe that a person has engaged
17 in or is engaging in a violation of this chapter, the attorney
18 general may issue a civil investigative demand.

19 (b) The attorney general may request, pursuant to a civil
20 investigative demand issued under Subsection (a), that a developer
21 or deployer of a high-risk artificial intelligence system disclose
22 their risk management policy required under Subchapter A. The
23 attorney general may evaluate the risk management policy for
24 compliance with the requirements set forth in Subchapter A.

25 (c) The attorney general may not institute an action for a
26 civil penalty against a developer or deployer for artificial

1 intelligence systems that remain isolated from customer
2 interaction in a pre-deployment environment.

3 Sec. 551.105. NOTICE OF VIOLATION OF CHAPTER; OPPORTUNITY TO
4 CURE. Before bringing an action under Section 551.044, the attorney
5 general shall notify a developer, distributor, or deployer in
6 writing, not later than the 30th day before bringing the action,
7 identifying the specific provisions of this chapter the attorney
8 general alleges have been or are being violated. The attorney
9 general may not bring an action against the developer or deployer
10 if:

11 (1) within the 30-day period, the developer or deployer
12 cures the identified violation; and

13 (2) the developer or deployer provides the attorney
14 general a written statement that the developer or deployer:

15 (A) cured the alleged violation;

16 (B) notified the consumer and the council that the
17 developer or deployer's violation was addressed, if the consumer's
18 contact information has been made available to the developer or
19 deployer and the attorney general;

20 (C) provided supportive documentation to show how
21 the violation was cured; and

22 (D) made changes to internal policies, if
23 necessary, to ensure that no such further violations will occur.

24 Sec. 551.106. CIVIL PENALTY; INJUNCTION. (a) The attorney
25 general may bring an action in the name of this state to restrain
26 or enjoin the person from violating this chapter and seek
27 injunctive relief.

1 (b) The attorney general may recover reasonable attorney's
2 fees and other reasonable expenses incurred in investigating and
3 bringing an action under this section.

4 (c) The attorney general may assign an administrative fine to
5 a developer or deployer who fails to timely cure a violation or
6 who breaches a written statement provided by the attorney general,
7 other than those for a prohibited use, of not less than \$5,000 and
8 not more than \$10,000 per uncured violation.

9 (d) The attorney general may assign an administrative fine to
10 a developer or deployer who fails to timely cure a violation of a
11 prohibited use, or whose violation is determined to be incurable,
12 of not less than \$40,000 and not more than \$100,000 per violation.

13 (e) A developer or deployer who continues to operate or do
14 business in Texas without complying with the provisions of this
15 chapter shall be assessed an administrative fine of not less than
16 \$1,000 and not more than \$20,000 per day.

17 (f) There is a rebuttable presumption that a developer,
18 distributor, or deployer used reasonable care as required under
19 this chapter if the developer, distributor, or deployer complied
20 with their duties under Subchapter A.

21 Sec. 551.107. CONSUMER RIGHTS & REMEDIES. (a) A consumer may
22 bring an action against a developer or deployer that violates
23 Subchapter B with respect to the consumer.

24 (b) If the consumer proves that the developer or deployer
25 violated this chapter with respect to the consumer, the consumer
26 is entitled to recover:

1 (1) declaratory relief under Chapter 37, Civil Practice
2 and Remedies Code, including costs and reasonable and necessary
3 attorney's fees under Section 37.009; and

4 (2) injunctive relief.

5 (c) If a developer or deployer fails to promptly comply with
6 a court order in an action brought under this section, the court
7 shall hold the developer or deployer in contempt and shall use all
8 lawful measures to secure immediate compliance with the order,
9 including daily penalties sufficient to secure immediate
10 compliance.

11 (d) A consumer may bring an action under this section
12 regardless of whether another court has enjoined the attorney
13 general from enforcing this chapter or declared any provision of
14 this chapter unconstitutional unless that court decision is
15 binding on the court in which the action is brought.

16 (e) Nonmutual issue preclusion and nonmutual claim preclusion
17 are not defenses to an action brought under this section.

18 (f) A consumer may appeal a consequential decision made by a
19 high-risk artificial intelligence system regardless of whether the
20 decision was made with human oversight or not. Any affected person
21 subject to a decision which is taken by the deployer on the basis
22 of the output from a high-risk artificial intelligence system which
23 produces legal effects or similarly significantly affects that
24 person in a way that they consider to have an adverse impact on
25 their health, safety or fundamental rights shall have the right to
26 obtain from the deployer clear and meaningful explanations of the
27 role of the high-risk artificial intelligence system in the

1 decision-making procedure and the main elements of the decision
2 taken.

3 SUBCHAPTER D. CONSTRUCTION OF CHAPTER; LOCAL PREEMPTION

4 Sec. 551.151. CONSTRUCTION OF CHAPTER. This chapter may not
5 be construed as imposing a requirement on a developer, a deployer,
6 or other person that adversely affects the rights or freedoms of
7 any person, including the right of free speech.

8 Sec. 551.152. LOCAL PREEMPTION. This chapter supersedes and
9 preempts any ordinance, resolution, rule, or other regulation
10 adopted by a political subdivision regarding the use of high-risk
11 artificial intelligence systems.

12 CHAPTER 552. ARTIFICIAL INTELLIGENCE REGULATORY SANDBOX
13 PROGRAM

14 SUBCHAPTER A. GENERAL PROVISIONS

15 Sec. 552.001. DEFINITIONS. In this chapter:

16 (1) "Applicable agency" means a state agency responsible
17 for regulating a specific sector impacted by an artificial
18 intelligence system.

19 (2) "Consumer" means a person who engages in
20 transactions involving an artificial intelligence system or is
21 directly affected by the use of such a system.

22 (3) "Council" means the Artificial Intelligence
23 Council established by Chapter 553.

24 (4) "Department" means the Texas Department of
25 Information Resources.

1 (5) "Program participant" means a person or business
2 entity approved to participate in the sandbox program.

3 (6) "Sandbox program" means the regulatory framework
4 established under this chapter that allows temporary testing of
5 artificial intelligence systems in a controlled, limited manner
6 without full regulatory compliance.

7 SUBCHAPTER B. SANDBOX PROGRAM FRAMEWORK

8 Sec. 552.051. ESTABLISHMENT OF SANDBOX PROGRAM. (a) The
9 department, in coordination with the council, shall administer the
10 Artificial Intelligence Regulatory Sandbox Program to facilitate
11 the development, testing, and deployment of innovative artificial
12 intelligence systems in Texas.

13 (b) The sandbox program is designed to:

14 (1) promote the safe and innovative use of artificial
15 intelligence across various sectors including healthcare, finance,
16 education, and public services;

17 (2) encourage the responsible deployment of artificial
18 intelligence systems while balancing the need for consumer
19 protection, privacy, and public safety; and

20 (3) provide clear guidelines for artificial intelligence
21 developers to test systems while temporarily exempt from certain
22 regulatory requirements.

23 Sec. 552.052. APPLICATION PROCESS. (a) A person or business
24 entity seeking to participate in the sandbox program must submit
25 an application to the council.

26 (b) The application must include:

1 (1) a detailed description of the artificial
2 intelligence system and its intended use;

3 (2) a risk assessment that addresses potential impacts
4 on consumers, privacy, and public safety;

5 (3) a plan for mitigating any adverse consequences
6 during the testing phase; and

7 (4) proof of compliance with federal artificial
8 intelligence laws and regulations, where applicable.

9 Sec. 552.053. DURATION AND SCOPE OF PARTICIPATION. A
10 participant may test an artificial intelligence system under the
11 sandbox program for a period of up to 36 months, unless extended
12 by the department for good cause.

13 SUBCHAPTER C. OVERSIGHT AND COMPLIANCE

14 Sec. 552.101. AGENCY COORDINATION. (a) The department shall
15 coordinate with all relevant state regulatory agencies to oversee
16 the operations of the sandbox participants.

17 (b) A relevant agency may recommend to the department that a
18 participant's sandbox privileges be revoked if the artificial
19 intelligence system:

20 (1) poses undue risk to public safety or welfare;

21 (2) violates any federal or state laws that the sandbox
22 program cannot override.

23 Sec. 552.102. REPORTING REQUIREMENTS. (a) Each sandbox
24 participant must submit quarterly reports to the department, which
25 shall include:

26 (1) system performance metrics;

1 (2) updates on how the system mitigates any risks
2 associated with its operation; and

3 (3) feedback from consumers and affected stakeholders
4 that are using a product that has been deployed from this section.

5 (b) The department must submit an annual report to the
6 legislature detailing:

7 (1) the number of participants in the sandbox program;

8 (2) the overall performance and impact of artificial
9 intelligence systems tested within the program; and

10 (3) recommendations for future legislative or regulatory
11 reforms.

12 CHAPTER 553. TEXAS ARTIFICIAL INTELLIGENCE COUNCIL

13 SUBCHAPTER A. CREATION AND ORGANIZATION OF COUNCIL

14 Sec. 553.001. CREATION OF COUNCIL. (a) The Artificial
15 Intelligence Council is administratively attached to the office of
16 the governor, and the office of the governor shall provide
17 administrative support to the council as provided by this section.
18 The equal employment opportunity officer and the internal auditor
19 of the office of the governor shall serve the same functions for
20 the council as they serve for the office of the governor.

21 (b) The office of the governor and the council shall enter
22 into a memorandum of understanding detailing:

23 (1) the administrative support the council requires
24 from the office of the governor to fulfill the purposes
25 of this chapter;

1 (2) the reimbursement of administrative expenses to the
2 office of the governor; and

3 (3) any other provisions available by law to ensure the
4 efficient operation of the council as attached to the office
5 of the governor.

6 (c) The purpose of the council is to:

7 (1) Issue advisory opinions on the ethical and legal
8 use of AI;

9 (2) Offer guidance and recommendations to state
10 agencies; and

11 (3) Ensure that artificial intelligence development in
12 the state is safe, ethical, and in the public interest.

13 Sec. 553.002. COUNCIL MEMBERSHIP. (a) The council is composed
14 of eight members as follows:

15 (1) four members appointed by the governor;

16 (2) two members appointed by the lieutenant governor;
17 and

18 (3) two members appointed by the speaker of the house of
19 representatives.

20 (b) Members serve staggered four-year terms, with the terms
21 of four members expiring every two years.

22 (c) The governor shall appoint a chair from among the members,
23 and the council shall elect a vice chair from its membership.

24 (d) The council may establish an advisory board composed of
25 individuals from the public who possess expertise directly related
26 to the council's functions, including technical, ethical,
27 regulatory, and other relevant areas.

1 Sec. 553.003. QUALIFICATIONS. (a) Members of the council must
2 be Texas residents and have knowledge or expertise in one or more
3 of the following areas:

4 (1) artificial intelligence technologies;

5 (2) data privacy and security;

6 (3) ethics in technology or law;

7 (4) public policy and regulation; or

8 (5) risk management or safety related to artificial
9 intelligence systems.

10 (b) Members must not hold an office or profit under the state
11 or federal government at the time of appointment.

12 Sec. 553.004. STAFF AND ADMINISTRATION. The council may
13 employ an executive director and other personnel as necessary to
14 perform its duties.

15 SUBCHAPTER B. POWERS AND DUTIES OF THE COUNCIL

16 Sec. 553.101. ISSUANCE OF ADVISORY OPINIONS. (a) A state
17 agency may request a written advisory opinion from the council
18 regarding the use of artificial intelligence systems in the state.

19 (b) The council may issue advisory opinions on:

20 (1) the compliance of artificial intelligence systems
21 with Texas law;

22 (2) the ethical implications of artificial intelligence
23 deployments in the state;

24 (3) data privacy and security concerns related to
25 artificial intelligence systems; or

26 (4) potential liability or legal risks associated with the
27 use of AI.

1 Sec. 553.102. RULEMAKING AUTHORITY. (a) The council may adopt
2 rules necessary to administer its duties under this chapter,
3 including:

4 (1) procedures for requesting advisory opinions;

5 (2) standards for ethical artificial intelligence
6 development and deployment;

7 (3) guidelines for evaluating the safety, privacy, and
8 fairness of artificial intelligence systems.

9 (b) The council's rules shall align with state laws on
10 artificial intelligence, technology, data security, and consumer
11 protection.

12 Sec. 553.103. TRAINING AND EDUCATIONAL OUTREACH. The council
13 shall conduct training programs for state agencies and local
14 governments on the ethical use of artificial intelligence systems.

15 SECTION 3. Sections 541.051(b), 541.101(a), 541.102(a), and
16 Sec.541.104(a), Business & Commerce Code, are amended to read as
17 follows:

18 Sec. 541.051. CONSUMER'S PERSONAL DATA RIGHTS; REQUEST TO
19 EXERCISE RIGHTS. (a) A consumer is entitled to exercise the
20 consumer rights authorized by this section at any time by
21 submitting a request to a controller specifying the consumer rights
22 the consumer wishes to exercise. With respect to the processing of
23 personal data belonging to a known child, a parent or legal
24 guardian of the child may exercise the consumer rights on behalf
25 of the child.

26 (b) A controller shall comply with an authenticated consumer
27 request to exercise the right to:

1 (1) confirm whether a controller is processing the
2 consumer's personal data and to access the personal data;

3 (2) correct inaccuracies in the consumer's personal
4 data, taking into account the nature of the personal data and the
5 purposes of the processing of the consumer's personal data;

6 (3) delete personal data provided by or obtained about
7 the consumer;

8 (4) if the data is available in a digital format, obtain
9 a copy of the consumer's personal data that the consumer previously
10 provided to the controller in a portable and, to the extent
11 technically feasible, readily usable format that allows the
12 consumer to transmit the data to another controller without
13 hindrance; [~~or~~]

14 (5) know if the consumer's personal data is or will be
15 used in any artificial intelligence system and for what purposes;
16 or

17 (~~5~~6) opt out of the processing of the personal data
18 for purposes of:

19 (A) targeted advertising;

20 (B) the sale of personal data; [~~or~~]

21 (C) the sale or sharing of personal data for use in
22 artificial intelligence systems prior to being collected; or

23 (~~E~~D) profiling in furtherance of a decision that
24 produces a legal or similarly significant effect concerning the
25 consumer.

26 Sec. 541.101. CONTROLLER DUTIES; TRANSPARENCY. (a) A
27 controller:

1 (1) shall limit the collection of personal data to what
2 is adequate, relevant, and reasonably necessary in relation to the
3 purposes for which that personal data is processed, as disclosed
4 to the consumer; [~~and~~]

5 (2) for purposes of protecting the confidentiality,
6 integrity, and accessibility of personal data, shall establish,
7 implement, and maintain reasonable administrative, technical, and
8 physical data security practices that are appropriate to the volume
9 and nature of the personal data at issue; and

10 (3) for purposes of protecting the unauthorized access,
11 disclosure, alteration, or destruction of data collected, stored,
12 and processed by artificial intelligence systems, shall establish,
13 implement, and maintain, reasonable administrative, technical, and
14 physical data security practices that are appropriate to the volume
15 and nature of the data collected, stored, and processed by
16 artificial intelligence systems.

17 Sec.541.102. PRIVACY NOTICE. (a) A controller shall
18 provide consumers with a reasonably accessible and clear privacy
19 notice that includes:

20 (1) the categories of personal data processed by the
21 controller, including, if applicable, any sensitive data processed
22 by the controller;

23 (2) the purpose for processing personal data;

24 (3) how consumers may exercise their consumer rights
25 under Subchapter B, including the process by which a consumer may
26 appeal a controller 's decision with regard to the consumer 's
27 request;

1 (4) if applicable, the categories of personal data that
2 the controller shares with third parties;

3 (5) if applicable, the categories of third parties with
4 whom the controller shares personal data; ~~and]~~

5 (6) if applicable, an acknowledgment of the collection,
6 use, and sharing of personal data for artificial intelligence
7 purposes; and

8 (~~6]~~7) a description of the methods required under
9 Section 541.055 through which consumers can submit requests to
10 exercise their consumer rights under this chapter.

11 Sec. 541.104. DUTIES OF PROCESSOR. (a) A processor shall
12 adhere to the instructions of a controller and shall assist the
13 controller in meeting or complying with the controller's duties or
14 requirements under this chapter, including:

15 (1) assisting the controller in responding to consumer
16 rights requests submitted under Section 541.051 by using
17 appropriate technical and organizational measures, as reasonably
18 practicable, taking into account the nature of processing and the
19 information available to the processor;

20 (2) assisting the controller with regard to complying
21 with the ~~[requirement]~~requirements relating to the security of
22 processing personal data, and if applicable, the data collected,
23 stored, and processed by artificial intelligence systems and to
24 the notification of a breach of security of the processor's system
25 under Chapter 521, taking into account the nature of processing
26 and the information available to the processor; and

1 (3) providing necessary information to enable the
2 controller to conduct and document data protection assessments
3 under Section 541.105.

4 SECTION 4. Subtitle E, Title 4, Labor Code, is amended by adding
5 Chapter 319 to read as follows:

6 CHAPTER 319. TEXAS ARTIFICIAL INTELLIGENCE WORKFORCE DEVELOPMENT

7 GRANT PROGRAM

8 SUBCHAPTER A. GENERAL PROVISIONS

9 Sec. 319.001. DEFINITIONS. In this chapter:

10 (1) "Artificial intelligence industry" means businesses,
11 research organizations, and educational institutions engaged in
12 the development, deployment, or use of artificial intelligence
13 technologies in Texas.

14 (2) "Commission" means the Texas Workforce Commission.

15 (3) "Eligible entity" means Texas-based businesses in
16 the artificial intelligence industry, public school districts,
17 community colleges, public technical institutes, and workforce
18 development organizations.

19 (4) "Program" means the Texas Artificial Intelligence
20 Workforce Development Grant Program established under this
21 chapter.

22 SUBCHAPTER B. ARTIFICIAL INTELLIGENCE WORKFORCE DEVELOPMENT

23 GRANT PROGRAM

24 Sec. 319.051. ESTABLISHMENT OF GRANT PROGRAM. (a) The
25 commission shall establish the Texas Artificial Intelligence
26 Workforce Development Grant Program to:

1 (1) support and assist Texas-based artificial
2 intelligence companies in developing a skilled workforce;

3 (2) provide grants to local community colleges and
4 public high schools to implement or expand career and technical
5 education programs focused on artificial intelligence readiness
6 and skill development; and

7 (3) offer opportunities to retrain and reskill workers
8 through partnerships with the artificial intelligence industry and
9 workforce development programs.

10 (b) The program is intended to:

11 (1) prepare Texas workers and students for employment in
12 the rapidly growing artificial intelligence industry;

13 (2) ensure that Texas maintains a competitive edge in
14 artificial intelligence innovation and workforce development; and

15 (3) address workforce gaps in artificial intelligence-
16 related fields, including data science, machine learning,
17 robotics, and automation.

18 Sec. 319.052. ELIGIBILITY FOR GRANTS. (a) The following
19 entities are eligible to apply for grants under this program:

20 (1) Texas-based businesses engaged in the development or
21 deployment of artificial intelligence technologies;

22 (2) public school districts and charter schools offering
23 or seeking to offer career and technical education programs in
24 artificial intelligence-related fields;

25 (3) public community colleges and technical institutes
26 that develop artificial intelligence-related curricula or training
27 programs; and

1 (4) workforce development organizations in partnership
2 with artificial intelligence companies to reskill and retrain
3 workers in artificial intelligence competencies.

4 (b) To be eligible, the entity must:

5 (1) submit an application to the commission in the form
6 and manner prescribed by the commission; and

7 (2) demonstrate the capacity to develop and implement
8 training, educational, or workforce development programs that
9 align with the needs of the artificial intelligence industry in
10 Texas.

11 Sec. 319.053. USE OF GRANTS. (a) Grants awarded under the
12 program may be used for:

13 (1) developing or expanding workforce training programs
14 for artificial intelligence-related skills, including but not
15 limited to machine learning, data analysis, software development,
16 and robotics;

17 (2) creating or enhancing career and technical education
18 programs in artificial intelligence for high school students, with
19 a focus on preparing them for careers in artificial intelligence
20 or related fields;

21 (3) providing financial support for instructors,
22 equipment, and technology necessary for artificial intelligence-
23 related workforce training;

24 (4) partnering with local businesses to develop
25 internship programs, on-the-job training opportunities, and
26 apprenticeships in the artificial intelligence industry;

1 (5) funding scholarships or stipends for students and
2 workers participating in artificial intelligence training
3 programs, particularly for individuals from underserved or
4 underrepresented communities; or

5 (6) reskilling and retraining workers displaced by
6 technological changes or job automation, with an emphasis on
7 artificial intelligence-related job roles.

8 (b) The commission shall prioritize funding for:

9 (1) initiatives that partner with rural and underserved
10 communities to promote artificial intelligence education and
11 career pathways; and

12 (2) proposals that include partnerships between the
13 artificial intelligence industry, educational institutions, and
14 workforce development organizations.

15 SECTION 5. Section 325.011, Government Code, is amended to
16 read as follows:

17 Sec. 325.011. CRITERIA FOR REVIEW. The commission and its
18 staff shall consider the following criteria in determining whether
19 a public need exists for the continuation of a state agency or its
20 advisory committees or for the performance of the functions of the
21 agency or its advisory committees:

22 (1) the efficiency and effectiveness with which the
23 agency or the advisory committee operates;

24 (2) (A) an identification of the mission, goals, and
25 objectives intended for the agency or advisory committee and of
26 the problem or need that the agency or advisory committee was
27 intended to address; and

1 (B) the extent to which the mission, goals, and
2 objectives have been achieved and the problem or need has been
3 addressed;

4 (3) (A) an identification of any activities of the
5 agency in addition to those granted by statute and of the authority
6 for those activities; and

7 (B) the extent to which those activities are
8 needed;

9 (4) an assessment of authority of the agency relating
10 to fees, inspections, enforcement, and penalties;

11 (5) whether less restrictive or alternative methods of
12 performing any function that the agency performs could adequately
13 protect or provide service to the public;

14 (6) the extent to which the jurisdiction of the agency
15 and the programs administered by the agency overlap or duplicate
16 those of other agencies, the extent to which the agency coordinates
17 with those agencies, and the extent to which the programs
18 administered by the agency can be consolidated with the programs
19 of other state agencies;

20 (7) the promptness and effectiveness with which the
21 agency addresses complaints concerning entities or other persons
22 affected by the agency, including an assessment of the agency's
23 administrative hearings process;

24 (8) an assessment of the agency's rulemaking process
25 and the extent to which the agency has encouraged participation by
26 the public in making its rules and decisions and the extent to

1 which the public participation has resulted in rules that benefit
2 the public;

3 (9) the extent to which the agency has complied with:

4 (A) federal and state laws and applicable rules
5 regarding equality of employment opportunity and the rights and
6 privacy of individuals; and

7 (B) state law and applicable rules of any state
8 agency regarding purchasing guidelines and programs for
9 historically underutilized businesses;

10 (10) the extent to which the agency issues and enforces
11 rules relating to potential conflicts of interest of its employees;

12 (11) the extent to which the agency complies with
13 Chapters 551 and 552 and follows records management practices that
14 enable the agency to respond efficiently to requests for public
15 information;

16 (12) the effect of federal intervention or loss of
17 federal funds if the agency is abolished;

18 (13) the extent to which the purpose and effectiveness
19 of reporting requirements imposed on the agency justifies the
20 continuation of the requirement; ~~and~~

21 (14) an assessment of the agency's cybersecurity
22 practices using confidential information available from the
23 Department of Information Resources or any other appropriate state
24 agency; and

25 (15) an assessment, using information available from the
26 Department of Information Resources, the Attorney General, or any
27 other appropriate state agency, of the agency's use of artificial

1 intelligence systems, high-risk artificial intelligence systems,
2 in its operations and its oversight of the use of artificial
3 intelligence systems by entities or persons under the agency's
4 jurisdiction, and any related impact on the agency's ability to
5 achieve its mission, goals, and objectives.

6 SECTION 6. Section 2054.068(b), Government Code, is amended
7 to read as follows:

8 (b) The department shall collect from each state agency
9 information on the status and condition of the agency's information
10 technology infrastructure, including information regarding:

11 (1) the agency's information security program;

12 (2) an inventory of the agency's servers, mainframes,
13 cloud services, and other information technology equipment;

14 (3) identification of vendors that operate and manage
15 the agency's information technology infrastructure; ~~and~~

16 (4) any additional related information requested by the
17 department; and

18 (5) an evaluation of the use, or considered use, of
19 artificial intelligence systems and high-risk artificial
20 intelligence systems by each state agency.

21 SECTION 7. Section 2054.0965(b), Government Code, is amended
22 to read as follows:

23 Sec. 2054.0965. INFORMATION RESOURCES DEPLOYMENT REVIEW.

24 (b) Except as otherwise modified by rules adopted by the
25 department, the review must include:

26 (1) an inventory of the agency's major information
27 systems, as defined by Section 2054.008, and other operational or

1 logistical components related to deployment of information
2 resources as prescribed by the department;

3 (2) an inventory of the agency's major databases,
4 artificial intelligence systems, and applications;

5 SECTION 8. Not later than September 1, 2025, the attorney
6 general shall post on the attorney general's Internet website the
7 information and online mechanism required by Section 551.041,
8 Business & Commerce Code, as added by this Act.

9 SECTION 9. This Act takes effect September 1, 2025.