

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 1184** HLS 26RS 2506

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> April 12, 2026	11:08 AM	<b>Author:</b> CARLSON
<b>Dept./Agy.:</b> Procurement		<b>Analyst:</b> Julie Silva
<b>Subject:</b> Public contracts with foreign "countries of concern" for AI technology		

**PUBLIC CONTRACTS**

OR NO IMPACT See Note

Page 1 of 1

Prohibits public contracts with entities owned or controlled by foreign adversaries for the provision of artificial intelligence technology

Proposed legislation prohibits state and local entities from entering into or extending contracts for artificial intelligence (AI) technology, software, or products, or for products or services utilizing AI, with vendors that are owned, controlled, organized under, or headquartered in a "foreign country of concern." Foreign countries of concern are defined as the People's Republic of China, the Russian Federation, the Islamic Republic of Iran, the Democratic People's Republic of Korea, or the Republic of Cuba, including any agency or entity under the control of these countries. The bill applies to public school systems, higher education institutions, public entities under the Public Bid Law, state executive branch IT procurements, and legislative branch agencies. Vendors must provide an affidavit attesting to compliance with these requirements before execution of any applicable contract.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

  

REVENUES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

There is no anticipated direct material effect on governmental expenditures as a result of this measure. Any additional administrative activities, primarily associated with verifying vendor affidavits and ensuring compliance with foreign country of concern restrictions, are expected to be absorbed within existing procurement and administrative resources at affected agencies and institutions.

**REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

- 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
- 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House

- 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
- 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

**Patrice Thomas**  
**Deputy Fiscal Officer**