Department of Planning and Budget
2026 General Assembly Session
State Fiscal Impact Statement

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Bill Number: HB797S1 **Patron:** Hayes
Bill Title: Virginia Information Technologies Agency; artificial intelligence; independent verification organizations.

Bill Summary: Joint Commission on Technology and Science; artificial intelligence; independent verification organizations. Directs the Joint Commission on Technology and Science (JCOTS) to evaluate the feasibility and impact of developing a framework for any person or entity seeking to act as an independent verification organization that assesses artificial intelligence models' or applications' adherence to standards reflecting best practices for the prevention of personal injury and property damage. The bill directs JCOTS to submit a report with its recommendations and any findings to the Chairs of the Senate Committees on Finance and Appropriations and General Laws and Technology and the House Committees on Appropriations and Communications, Technology and Innovation by November 1, 2026.

Budget Amendment Necessary: Yes **Items Impacted:** Item 8
Explanation: See Below

Fiscal Summary: There will be a fiscal impact to the Joint Commission on Technology and Science (JCOTS). There will not be a fiscal impact to the Virginia Information Technology Agency if the amendments in this substitute are adopted.

General Fund Expenditure Impact:

Agency	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031
JCOTS	-	$25,000	-	-	-	-
TOTAL		**$25,000**				

Fiscal Analysis: JCOTS estimates a one-time cost of $25,000 to meet the provisions of the legislation. The cost is due to the technical specificity of the required report. JCOTS would be tasked with assessing risk, methodologies, mitigation requirements, and practices to employ artificial intelligence.

Other: The provisions in HB797S1 are identical to SB384S2.