

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

Position Impact:

<u>Agency</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>	<u>FY2031</u>
201 (DOE)	0	2	2	2	2	1
TOTAL	0	2	2	2	2	1

Fiscal Analysis: This bill requires the Board of Education to establish guidance for the safe, ethical, and equitable use of AI in instructional settings in schools. The Department of Education (DOE) does not currently have staff with expertise available to develop these guidelines. DOE anticipates the need for one position at an estimated cost of \$141,604 general fund per year beginning in FY27, including salary, benefits, and technology, to develop the guidelines and coordinate with school divisions and ensure ongoing compliance and reporting.

The bill also establishes the AI Innovation in Education Pilot Program with such funds as may be appropriated. Based on recent responses to RFIs at DOE related to AI educator training, DOE estimates that a successful pilot program could cost about \$2.0 million to \$7.0 million. Any actual impact for this program would depend on the amount appropriated.

If the pilot program is funded, DOE anticipates the need for an additional position to support administration and oversight of the pilot program. DOE estimates a cost of \$141,604 general fund per year, including salary, benefits, and technology. The pilot program expires on July 1, 2030, so this fiscal impact statement assumes this position would be a restricted position. Any impact to local school divisions is indeterminate.

Other: This bill is similar to SB394.

Senate budget amendment 117 #2s proposes funding to support one position based on the requirements of this bill. Senate budget amendment 124 #5s proposes one-time funding in FY27 to support the pilot program.