

Rep. Layon, Rock. 13  
Rep. Ammon, Hills. 42  
April 14, 2026  
2026-1522h  
04/09

Amendment to SB 640-FN

1 Amend the title of the bill by replacing it with the following:

2

3 AN ACT relative to the use of artificial intelligence to provide services requiring a professional  
4 license, establishing an artificial intelligence and software engineering division  
5 within the department of information technology, and creating a government  
6 software modernization initiative.  
7

8 Amend the bill by replacing all after section 2 with the following:

9

10 3 Commissioner; Deputy Commissioner; Directors; Compensation; Divisions. Amend RSA 21-  
11 R:3, II to read as follows:

12 II. The department shall consist of [4] 5 divisions, which shall be under the direction of the  
13 commissioner. The commissioner shall nominate [4] 5 division directors, who shall be appointed by  
14 the governor, with the consent of the council. Division directors shall serve for a term of 4 years;  
15 provided that a division director serving on the effective date of this paragraph may continue to  
16 serve in such capacity until appointed or replaced. The division directors shall be qualified to hold  
17 their respective positions by reason of education and relevant experience.

18 4 Divisions Established; Artificial Intelligence and Software Engineering Division. Amend RSA  
19 21-R:5 to read as follows:

20 21-R:5 Divisions Established. The commissioner shall establish [4] 5 divisions, business  
21 relationship management, user experience, infrastructure and operations, [and] user services, **and**  
22 **artificial intelligence and software engineering**, which shall be in alignment with the  
23 department's statewide strategic plan. Each division shall be under the supervision of a division  
24 director appointed pursuant to RSA 21-R:3.

25 5 New Section; Artificial Intelligence and Software Engineering Division. Amend RSA 21-R by  
26 inserting after section 5 the following new section:

27 21-R:5-a Artificial Intelligence and Software Engineering Division; Duties.

28 The artificial intelligence and software engineering division shall be responsible for the  
29 development, deployment, and maintenance of software applications used by state agencies and  
30 programs. The division shall utilize artificial intelligence-assisted software development tools to  
31 increase efficiency, reduce costs, and accelerate application deployment. The division shall have the  
32 following duties:

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- 1 I. Develop and maintain internal software applications used by executive branch agencies;
- 2 II. Develop public-facing digital platforms for use by residents, businesses, and visitors to
- 3 the state;
- 4 III. Establish shared software platforms that may be used by multiple state agencies;
- 5 IV. Provide application engineering support to state departments, divisions, agencies, and
- 6 offices;
- 7 V. Evaluate and replace existing software systems where internal development can provide
- 8 cost savings or improved functionality;
- 9 VI. Develop and maintain artificial intelligence tools to assist state employees in performing
- 10 administrative and regulatory functions; and
- 11 VII. Ensure that all software systems comply with state cybersecurity and data protection
- 12 standards.

13 6 New Subdivision; Government Software Modernization and Artificial Intelligence. Amend  
14 RSA 21-R by inserting after section 16 the following new subdivision:

Government Software Modernization and Artificial Intelligence

15 21-R:17 Government Software Modernization Initiative Established.

16 I. There is hereby established within the department of information technology a  
17 government software modernization initiative, the purpose of which shall be to reduce reliance on  
18 external software vendors and increase the use of internally developed software systems. The  
19 initiative shall prioritize replacement of software systems that require substantial annual licensing  
20 fees, require recurring consulting contracts, and serve multiple state agencies with similar  
21 functionality.  
22

23 II. The department shall establish a statewide software platform architecture allowing  
24 agencies to deploy shared applications for licensing, permitting, inspections, grant management, and  
25 other administrative functions.

26 21-R:18 Agency Software Procurement Review. Prior to procuring or renewing any software  
27 system with an annual cost exceeding \$250,000, an executive branch agency shall consult with the  
28 department of information technology to determine whether the requested functionality can be  
29 developed internally using state resources. If the department determines that an internal solution is  
30 feasible, the agency shall work with the department to develop the application, unless the governor  
31 approves a waiver.

32 21-R:19 Government Software Innovation Fund. There is hereby established a government  
33 software innovation fund into which shall be deposited moneys consisting of savings realized from  
34 canceled or replaced software contracts, transfers approved by the legislature, and grants or other  
35 technology modernization funding. The fund shall be nonlapsing and continually appropriated to the  
36 department of information technology for the purpose of supporting software development,

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1 technology infrastructure, artificial intelligence computing capacity, cybersecurity systems, and  
2 staffing within the artificial intelligence and software engineering division.

3 21-R:20 Artificial Intelligence Governance and Security.

4 I. The department shall establish policies governing the use of artificial intelligence systems  
5 developed or deployed by the state. Such policies shall include safeguards to ensure protection of  
6 sensitive data, transparency in automated decision systems, human oversight of regulatory or  
7 enforcement decisions, and compliance with state and federal privacy laws.

8 II. Artificial intelligence systems developed under this chapter shall not be used to make  
9 final enforcement or adjudicatory decisions without human review.

10 21-R:21 State Artificial Intelligence Platform. The department may develop and operate a  
11 statewide artificial intelligence platform to assist state agencies with document analysis, regulatory  
12 review, data analysis, public information services, and administrative workflow automation. The  
13 platform may be trained on publicly available state statutes, administrative rules, reports, and other  
14 non-confidential government documents. The department may deploy such systems internally for  
15 use by state employees and externally for use by the public.

16 21-R:22 Annual Report. The department of information technology shall submit an annual  
17 report to the governor, the speaker of the house of representatives, and the president of the senate  
18 detailing the software systems replaced or developed , the estimated cost savings, the staffing levels  
19 within the division, technology infrastructure investments, and progress toward statewide software  
20 modernization.

21 7 New Subparagraph; Application of Receipts. Amend RSA 6:12, II(b) by inserting after  
22 subparagraph (410) the following new subparagraph:

23 (411) Moneys deposited into the government software innovation fund established in  
24 RSA 21-R:19.

25 8 Effective Date.

26 I. Section 1 of this act shall take effect upon its passage.

27 II. Section 2 of this act shall take effect November 1, 2026.

28 III. The remainder of this act shall take effect July 1, 2026.

2026-1522h

AMENDED ANALYSIS

This bill:

I. Prohibits the use of artificial intelligence or other means to provide services requiring a professional license unless those services are provided by someone with such a license.

II. Allows the office of professional licensure and certification to collect fees for the costs of enforcement of the prohibition on unlicensed practice.

III. Establishes specific requirements for the use of artificial intelligence for psychologists, mental health practitioners, and alcohol and other drug use professionals.

IV. Establishes an artificial intelligence and software division within the department of information technology to develop and maintain software applications for state agencies using artificial intelligence-assisted development tools.

V. Establishes a process and structure to support software modernization by requiring agency coordination with the department on major technology purchases, establishes a software innovation fund, sets artificial intelligence governance standards, and requires regular reporting on modernization process.