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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

H.B. 524
136th General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 524's Bill Analysis](#)

Version: As Introduced

Primary Sponsors: Reps. Cockley and T. Mathews

Local Impact Statement Procedure Required: No

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Highlights

- The bill prohibits artificial intelligence (AI) models and applications from suggesting that a user harm themselves or another person. The costs for the Office of the Attorney General to investigate and enforce violations of this prohibition will depend on the number of complaints reported, the investigations conducted and terminated through written assurances of voluntary compliance, and the enforcement actions pursued.
- The bill may result in additional civil case filings, which would likely increase the annual operating costs for affected courts of common pleas. Although the magnitude of any increase is not readily quantifiable, it is expected to be minimal and largely absorbed through existing staff and resources. Any revenue from civil penalties will be deposited into the 9-8-8 Fund (Fund 5AA1) which is used by the Department of Behavioral Health to oversee and administer the 9-8-8 suicide prevention and mental health crisis hotline system.

Detailed Analysis

The bill prohibits any person from developing or deploying in Ohio an artificial intelligence (AI) model or application that encourages a user to engage in any form of self-harm or in harming another person. It authorizes the Attorney General to investigate alleged violations, including administering oaths, subpoenaing witnesses, adducing evidence, and requiring the production of relevant materials. In addition, the bill establishes a six-year limitation period for the Attorney General to bring an action for damages or a civil penalty following a violation.

Fiscal effect

The number of cases stemming from prohibited behavior in the bill is difficult to estimate and will, in part, depend on the evolving development and use of AI. In the near term, the bill is

expected to affect only a relatively small number of cases within any given civil justice system. As a matter of practice, the Attorney General's Office typically attempts to resolve complaints of this nature administratively. For example, the violators could simply agree to cease their conduct, and assuming they do so, the Attorney General's Office would stop investigation and enforcement. If complaints are not resolved, some number of civil cases may be generated in the courts of common pleas. While the number of new civil actions that may result from the bill is uncertain, it is not expected to be significant for any single jurisdiction. The effect on the daily operations and related operating expenses of the courts of common pleas will depend on the frequency with which such actions are filed and the legal complexity of the matters involved. Overall, the magnitude of work for the Attorney General would depend on the number of complaints reported, investigations performed, and the enforcement actions taken, as well as how often an investigation would be terminated upon written assurance of voluntary compliance. As the bill provides no supplemental appropriation for this purpose, any additional workload would be absorbed with current resources and staff.

Under the bill, a court may impose a civil penalty of up to \$50,000 for each violation of the bill's prohibition. Any civil penalties collected must be deposited into the 9-8-8 Fund (Fund 5AA1). This fund is used by the Department of Behavioral Health to oversee and administer the 9-8-8 suicide prevention and mental health crisis hotline system. The timing and magnitude of this revenue stream are expected to be sporadic and unpredictable.