



# SENATE BILL 257: 2026 Appropriations Act, Sec. 12.23: AI Environmental Permit Review Pilot Program

2025-2026 General Assembly

**Analysis of:** S.L. 2026-41, Sec. 12.23

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**Prepared by:** Legislative Analysis  
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Section 12.23 of S.L. 2026-41 (Senate Bill 257) directs the Department of Environmental Quality (DEQ) to establish a pilot program to use AI-assisted software platforms to assist with environmental permitting programs. DEQ must contract with a third-party vendor for software that can provide AI-assisted review of permit and license applications across multiple environmental permitting programs, with an emphasis on data security and ability to facilitate improved accuracy and permit processing times. This contract is exempt from the statutes governing Purchases and Contracts and Public Contracts, but the section lists numerous minimum qualifications for the third-party vendor. Beginning March 1, 2027, DEQ must report quarterly to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, the Joint Legislative Commission on Governmental Operations, the Joint Legislative Oversight Committee on Information Technology, and the Fiscal Research Division on the status of the pilot program until the pilot program has been fully implemented.

This section became effective July 1, 2026.

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