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sfa

BILL ANALYSIS

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House Bills 5141 and 5143 (Substitute S-1 as reported)
Sponsor: Representative Penelope Tsernoglou (H.B. 5141)
        Representative Matt Bierlein (H.B. 5143)
House Committee: Elections
Senate Committee: Elections and Ethics

CONTENT

House Bill 5143 (S-1) would amend the Michigan Campaign Finance Act to define "artificial intelligence" as used in House Bill 5143 (S-1).

House Bill 5141 (S-1) would amend the Michigan Campaign Finance Act to do the following:

-- Require political advertisements generated in whole or substantially with the use of artificial intelligence (AI) by a candidate or committee to include a statement that the advertisement was generated by artificial intelligence.
-- Prescribe requirements for this statement based on the medium of the advertisement.
-- Prescribe a civil infraction for a violation of the bill.

The bills are tie-barred.

MCL 169.247 et al. (H.B. 5141)
    169.202 (H.B. 5143)

BRIEF RATIONALE

Recently, AI has grown more accessible, and this trend is likely to continue as many companies like Microsoft and Google have begun working on generative-AI tools since the release of the generative-AI tool ChatGPT in November 2022.[1] Political campaigns have already used AI, and some believe that the proliferation of AI-generated images and other media could be used to misinform voters and interfere with elections. For example, prospective Republican presidential nominee Ron DeSantis allegedly used AI-generated images of opponent Donald J. Trump hugging Dr. Anthony Fauci in a campaign ad.[2] DeSantis did not disclose the use of AI in the ad. With the 2024 presidential election approaching, it has been suggested that Michigan impose restrictions on the use of AI to limit the spread of misinformation.

Legislative Analyst: Abby Schneider

FISCAL IMPACT

House Bill 5141 (S-1) could have a positive fiscal impact on the State and local units of government. The bill also would impose civil fines. Revenue collected from civil fines is used to support local public libraries and county law libraries. Additionally, $10 of the civil fine

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[1] Murphy Kelly, Samantha, "Everything you need to know about AI but were too afraid to ask", *CNN Business*, June 24, 2023.
[2] Bond, Shannon, "DeSantis campaign shares apparent AI-generated fake images of Trump and Fauci", *NPR*, June 8, 2023.

would be deposited into the State Justice System Fund. This Fund supports justice-related activities across State government in the Departments of Corrections, Health and Human Services, State Police, and Treasury. The Fund also supports justice-related issues in the Legislative Retirement System and the Judiciary. The amount of revenue to the State or for local libraries is indeterminate and dependent on the actual number of violations.

House Bill 5143 (S-1) would have no fiscal impact on State or local government.

Overall, the bills would have an indeterminate fiscal impact on local court systems. Any impact would depend on the bill's impact on caseloads, administrative costs, and criminal fine revenue, which is constitutionally dedicated to county libraries.

Date Completed: 11-13-23   Fiscal Analyst: Joe Carrasco, Jr.