



Updated Generative Artificial Intelligence (GenAI) Procurement Requirements

Summary

- Revised GenAI solicitation language
- Elimination of the STD 1000
- GenAI contract language now incorporated into GTCs
- Updated SCM Vol. 1, section 7.12 & SCM Vol. 2, section 2300 et seq.
- GenAI language in other general provisions



Revised GenAI solicitation language

“The State of California seeks to realize the potential benefits of GenAI, through the development and deployment of GenAI tools, while balancing the risks of these new technologies.

Bidder / Offeror must notify the State in writing if it: (1) intends to provide GenAI as a deliverable to the State; or (2), intends to utilize GenAI, including GenAI from third parties, to complete all or a portion of any deliverable that materially impacts: (i) functionality of a State system, (ii) risk to the State, or (iii) Contract performance. For avoidance of doubt, the term “materially impacts” shall have the meaning set forth in State Administrative Manual (SAM) § 4986.2 Definitions for GenAI.

Failure to report GenAI to the State may result in disqualification. The State reserves the right to seek any and all relief to which it may be entitled to as a result of such non-disclosure.

Upon notification by a Bidder / Offeror of GenAI as required, the State reserves the right to incorporate GenAI Special Provisions into the final contract or reject bids/offers that present an unacceptable level of risk to the State.

Government Code 11549.64 defines “Generative Artificial Intelligence (GenAI)” as an artificial intelligence system that can generate derived synthetic content, including text, images, video, and audio that emulates the structure and characteristics of the system’s training data.”

- STD 1000 has been eliminated
- New “materiality impacts” standard, further defined in SAM
- Duty of notification is shifted to the bidder / contractor
- If an agency receives notification of possible GenAI use, a risk assessment must be done by the agency’s CIO

GenAI contract language in GTCs

- GenAI contract language is now incorporated into the General Terms and Conditions (GTC 02/2025)
- Language is currently not in the University Terms and Conditions (UTCs), but will be added soon
- GenAI contract language not in Interagency Terms and Conditions (GIAs), only needed in interagency agreements with subcontractors

State Contracting Manual

- SCM Vol 1, section 7.12 - Non-IT Services
- SCM Vol 2, chapter 23 - Non-IT Goods and IT Goods & Services

Other General Provisions

- Non-IT General Provisions (NITGP) Goods – Section 16
- IT General Provisions (ITGP) Cloud Computing Services – Section 22
- IT General Provisions (ITGP) Non-Cloud Goods and Services – Section 22
- GenAI Special Provisions



Updated Procurement Documents



Questions?



Thank you

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