



PA 23-16—sSB 1103
General Law Committee
Appropriations Committee

**AN ACT CONCERNING ARTIFICIAL INTELLIGENCE, AUTOMATED
DECISION-MAKING AND PERSONAL DATA PRIVACY**

SUMMARY: This act requires the executive and judicial branches to (1) annually do an inventory of all their systems that employ artificial intelligence (AI) and (2) make policies and procedures on developing, procuring, using, and assessing systems that use AI. It also requires them to publicly post the inventory and policies and procedures online.

Beginning February 1, 2024, the act prohibits the executive and judicial branches from implementing any system that uses AI unless they have done an impact assessment to make sure the system will not result in any unlawful discrimination or disparate impact against specified people or groups of people based on actual or perceived characteristics (e.g., age and race).

It also establishes a 21-member working group to make recommendations to the General Law Committee on certain AI issues. Among other things, the working group must engage stakeholders and experts on how to develop best practices for the ethical and equitable use of AI in state government.

Separately, the act prohibits state contracting agencies from entering a contract unless it has a provision requiring the business to comply with the consumer data privacy law.

EFFECTIVE DATE: July 1, 2023, except the working group provision is effective upon passage and the consumer data privacy provision is effective October 1, 2023.

§§ 1-3 & 5 — AI DEFINITION

Under the act, “AI” means (1) a set of techniques, including machine learning, designed to approximate a cognitive task or (2) an artificial system that meets certain criteria. These criteria are as follows:

1. performs tasks under varying and unpredictable circumstances without significant human oversight or can learn from experience and improve performance when exposed to data sets;
2. is developed in any context, including software or physical hardware, and solves tasks requiring human-like perception, cognition, planning, learning, communication, or physical action; or
3. is designed to (a) think or act like a human, including a cognitive architecture or neural network, or (b) act rationally, including an intelligent software agent or embodied robot that achieves goals using perception, planning, reasoning, learning, communication, decision-making, or action.

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§§ 1 & 3 — AI INVENTORY

The act requires the Department of Administrative Services (DAS), beginning by December 31, 2023, to annually do an inventory of all systems that executive branch state agencies use. It also requires the judicial branch, beginning by this same date, to do an annual inventory of systems it uses. A state agency is any executive branch department, board, council, commission, or institution, including the offices of the governor, lieutenant governor, state treasurer, attorney general, secretary of the state, and state comptroller and all operations of an executive branch agency that are funded by the General Fund or a special fund (CGS § 4d-1).

The act requires that each inventory include at least the following information for each system:

1. the name of the system and its vendor, if any;
2. a description of the system's general capabilities and uses; and
3. whether the system (a) was used to independently make, inform, or materially support a conclusion, decision, or judgment and (b) underwent an impact assessment before its implementation.

The act requires (1) DAS to make these inventories publicly available through the state's open data portal and (2) the judicial branch to make them available on its website.

Ongoing Assessments

Beginning February 1, 2024, the act requires DAS to do ongoing assessments of systems employing AI that state agencies use to make sure that no system will result in any unlawful discrimination or disparate impact against specified people or groups of people (see below). DAS must do these assessments following policies and procedures the Office of Policy and Management (OPM) establishes (see below).

Beginning on the same date, the act similarly requires the judicial branch to do ongoing assessments for the same purpose.

§§ 2 & 3 — AI POLICIES AND PROCEDURES

The act requires OPM to develop and establish policies and procedures by February 1, 2024, on the development, procurement, implementation, utilization, and ongoing assessment of systems that employ AI that state executive branch agencies use. It separately requires the judicial branch, by this same date, to do the same with respect to its systems that employ AI.

The act requires, at a minimum, that OPM's and the judicial branch's policies and procedures include provisions that:

1. govern the procurement, implementation, and ongoing assessment of the systems;
2. are sufficient to ensure that no system (a) results in any unlawful discrimination against any person or group of people, or (b) has any

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unlawful disparate impact on any individual or group of individuals based on any actual or perceived differentiating characteristic, including age, genetic information, color, ethnicity, race, creed, religion, national origin, ancestry, sex, gender identity or expression, sexual orientation, marital status, familial status, pregnancy, veteran status, disability, or lawful source of income;

3. require a state agency or the branch to assess a system's likely impact before implementing it; and
4. provide for DAS or the branch to do ongoing assessments of the systems to ensure that no system results in any unlawful discrimination or disparate impact described above.

The act allows OPM or the branch to revise the policies and procedures if the OPM secretary or chief court administrator determines a revision is needed. OPM and the branch must post the policies and procedures and any revision on their respective websites.

Beginning February 1, 2024, the act prohibits state agencies and the judicial branch from implementing any system that employs AI:

1. unless the agency or branch has done an impact assessment following the policies and procedures to ensure the system will not result in any unlawful discrimination or disparate impact or
2. if the agency head or the chief court administrator, as applicable, determines that the system will result in any unlawful discrimination or disparate impact.

§ 5 — AI WORKING GROUP

The act establishes a 21-member working group to make recommendations to the General Law Committee on certain issues concerning AI. The working group is part of the legislative branch and must engage stakeholders and experts to:

1. make recommendations on, and develop best practices for, the ethical and equitable use of AI in state government;
2. make recommendations for the policies and procedures the act requires OPM to establish (see above);
3. assess the White House Office of Science and Technology Policy's "Blueprint for an AI Bill of Rights" and similar materials and make recommendations on (a) regulating AI's use in the private sector based on, among other things, the blueprint, and (b) adopting a Connecticut AI bill of rights based on the blueprint; and
4. make recommendations on adopting other AI legislation.

Voting Members

Under the act, the working group includes the following 10 voting members with their qualifications listed in the table below. In addition, all voting members must have professional experience or academic qualifications in AI, automated systems, government policy, or another related field.

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Working Group Voting Member Appointment and Qualifications

Appointing Authority	Member Qualifications
House speaker	Representative of industries developing AI
Senate president pro tempore	Representative of industries using AI
House majority leader	Academic with a concentration in the study of technology and technology policy
Senate majority leader	Academic with a concentration in the study of government and public policy
House minority leader	Representative of an industry association for industries developing AI
Senate minority leader	Representative of an industry association for industries using AI
General Law Committee chairpersons (one appointment each)	Not specified
Governor	Two Connecticut Academy of Science and Engineering (CASE) members

The act requires appointing authorities to make initial appointments within 30 days after the act's passage (i.e., by July 7, 2023), and fill any vacancies. Any working group action must be taken by a majority vote of all voting members present, and no action may be taken unless at least 50% of voting members are present.

Nonvoting Ex-Officio Members

The working group also includes 11 nonvoting, ex-officio members. These members are the General Law Committee chairpersons and the following officials or their designees:

1. attorney general;
2. state comptroller;
3. state treasurer;
4. DAS commissioner;
5. chief data officer;
6. Freedom of Information Commission executive director;
7. Commission on Women, Children, Seniors, Equity and Opportunity executive director;
8. chief court administrator; and
9. CASE executive director.

Chairpersons and Meetings

The act makes the General Law Committee chairpersons and the CASE executive director the working group's chairpersons. They must schedule the group's first meeting, to be held within 60 days after the act's passage (i.e., by August 6, 2023).

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The act requires the General Law Committee's administrative staff to serve as the working group's administrative staff.

Report

The act requires the working group to submit a report on its findings and recommendations to the General Law Committee by February 1, 2024. The working group terminates on this date or the date it submits the report, whichever is later.

§ 4 — CONSUMER DATA PRIVACY LAW

Beginning July 1, 2023, existing law (i.e., the consumer data privacy law) sets a framework for controlling and processing personal data. The framework requires a controller (i.e., an individual or legal entity that determines the purpose and means of processing personal data) to limit the collection of personal data and establish security practices, among other things. The law's consumer data privacy requirements generally apply to individuals and entities (1) doing business in Connecticut or producing products or services targeted to Connecticut residents and (2) controlling or processing personal data of numbers of consumers above set thresholds during the previous calendar year. Regardless of any state law, the act prohibits state contracting agencies from entering any contract with a business on or after October 1, 2023, unless the contract has a provision requiring the business to comply with all applicable provisions of the consumer data privacy law.

By law, a state contracting agency is an executive branch agency, board, commission, department, office, institution, or council. The definition excludes (1) the offices of the secretary of the state, state treasurer, state comptroller, and attorney general with respect to their constitutional functions and (2) any state agency with respect to contracts specific to the constitutional and statutory functions of the Office of the State Treasurer (CGS § 4e-1).