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

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. (NEW) (Effective July 1, 2023) For the purposes of this section and sections 2 to 5, inclusive, of this act:

(1) "Artificial Intelligence Officer" and "officer" mean the employee designated pursuant to subdivision (1) of subsection (b) of section 2 of this act;

(2) "Automated decision support system" means any automated decision system that provides information for the purpose of informing a conclusion, decision or judgment made by an individual on behalf of a state agency;

(3) "Automated decision system" means any machine-based system or application derived from machine learning or another artificial intelligence technique that is developed, procured or implemented to make, inform or support a critical decision made by a state agency;
(4) "Automated final decision system" means any automated decision system that makes a final conclusion, decision or judgment on behalf of a state agency without any intervention by an individual acting on behalf of the state agency;

(5) "Automated system" means any automated decision support system, automated decision system or automated final decision system;

(6) "Automated system procedures" and "procedures" mean the procedures developed and established pursuant to subsection (a) of section 2 of this act;

(7) "Chief Information Officer" means the officer appointed pursuant to subsection (a) of section 4d-2 of the general statutes;

(8) "Critical decision" means any decision or judgment that has any legal, material or similarly significant effect on an individual's life concerning access to, or the cost, terms or availability of, (A) education and vocational training, including, but not limited to, assessment, accreditation or certification, (B) employment, worker management or self-employment, (C) essential utilities such as electricity, heat, water, Internet or telecommunications access or transportation, (D) family planning services, including, but not limited to, adoption services or reproductive services, (E) financial services, including, but not limited to, any financial service provided by a mortgage company, (F) services from a creditor or mortgage broker, (G) health care, including, but not limited to, mental health care, dental care or vision care, (H) housing or lodging, including, but not limited to, any rental, short-term housing or lodging, (I) legal services, including, but not limited to, private mediation or arbitration, (J) government benefits, (K) public services, or (L) any other opportunity, program or service;

(9) "Department" means the Department of Administrative Services;

(10) "Office of Artificial Intelligence" and "office" mean the office established in subsection (a) of section 2 of this act; and
(11) "State agency" means any department, board, commission, council, institution, office, constituent unit of the state system of higher education, technical education and career school or other agency in the executive, legislative or judicial branch of state government.

Sec. 2. (NEW) (Effective July 1, 2023) (a) There is established within the Department of Administrative Services an Office of Artificial Intelligence. Said office shall be responsible for:

(1) Not later than July 1, 2024, developing and establishing, and reviewing and updating at least annually thereafter, automated system procedures for use by state agencies in designing, utilizing and procuring automated systems, which procedures shall provide that each state agency shall design, utilize and procure any automated system in a manner that:

(A) Is consistent with all applicable laws of this state and federal law, including, but not limited to, laws prohibiting discrimination and addressing privacy, civil rights and civil liberties;

(B) Does not disproportionately impact any individual or group of individuals, in violation of the laws of this state or federal law, on the basis of any actual or perceived differentiating characteristic, including, but not limited to, 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; and

(C) Ensures that (i) the benefits of utilizing such automated system outweigh the risks of utilizing such automated system, (ii) such automated system is applied and utilized in a manner that is consistent with the use cases for which such automated system was trained in order to ensure accuracy, reliability and efficacy, (iii) such automated system is safe, secure and resilient, including, but not limited to, when such automated system is confronted with systematic vulnerabilities, adversarial manipulation or other malicious exploitation, (iv) the operations of, and outcomes generated by, such automated system are
sufficiently understandable by subject matter experts and users, (v) individual roles and responsibilities are clearly defined, understood and appropriately assigned in a manner that is consistent with the purpose for which each use of such automated system is intended, (vi) the design, utilization and procurement of such automated system is, and the inputs and outputs for applications of such automated system are, documented and traceable, (vii) the design, development, procurement, intended purposes and monitoring of such automated system is transparent to the public under uniform protocols and public access requirements concerning releases and posting of appropriate information by each state agency utilizing such automated system, (viii) data inputs utilized by such automated system are transparent under the Freedom of Information Act, as defined in section 1-200 of the general statutes, and (ix) such state agency (I) examines such automated system, at least biennially, to ensure compliance with such automated system procedures, (II) supersedes, disengages and deactivates any application of such automated system that demonstrates performance that is, or outcomes that are, inconsistent with such automated system procedures or any other provision of this section, section 1 of this act or sections 3 to 5, inclusive, of this act, (III) is transparent in disclosing any information that is relevant to such state agency’s use of such automated system, (IV) implements safeguards to ensure that such automated system is properly applied, utilized and functioning, and (V) provides appropriate training to all personnel responsible for designing, utilizing or procuring such automated system;

(2) Recommending to the General Assembly any legislation that the office deems appropriate concerning the development, utilization and procurement of automated systems by state agencies;

(3) Performing the review and inventory, and submitting the report, required under section 3 of this act;

(4) Performing the duties required under section 4 of this act; and

(5) Preparing and submitting the report required under section 5 of
(b) (1) The Commissioner of Administrative Services shall designate an employee of the department to serve as the Artificial Intelligence Officer. Such employee shall have:

(A) Extensive knowledge concerning artificial intelligence analysis, governance, principles, practices, technology, terminology and trends; and

(B) Experience in administration, planning, policy development, project management and service coordination.

(2) The Artificial Intelligence Officer, under the supervision of the Chief Information Officer, shall:

(A) Oversee the operations of the office;

(B) Manage the staff of the office;

(C) Ensure that the office performs the office’s duties as set forth in this section and sections 3 to 5, inclusive, of this act; and

(D) Contract with such third parties as the Artificial Intelligence Officer deems necessary for the Office of Artificial Intelligence to perform the office’s, or the Artificial Intelligence Officer to perform the officer’s, duties under sections 3 and 4 of this act.

(c) The Office of Artificial Intelligence shall be subject to the Freedom of Information Act, as defined in section 1-200 of the general statutes.

Sec. 3. (NEW) (Effective July 1, 2023) (a) Not later than July 1, 2024, the Office of Artificial Intelligence shall review and inventory all automated systems that were developed, utilized or procured by state agencies during the calendar year beginning January 1, 2023. Such inventory shall include the following information for each such automated system:

(1) The name of such automated system and the vendor, if any, that provided such automated system; and
(2) A description of the general capabilities of such automated system, including, but not limited to:

(A) Any reasonably foreseeable capability of such automated system that is outside of any state agency's intended use of such automated system;

(B) Whether such automated system was used, or may be used, to independently make, inform or support a conclusion, decision or judgment and the resulting impact on residents of this state;

(C) Each type of data input that was used by such automated system, how such inputted data was collected, generated or processed and the type or types of data such automated system generated or is reasonably likely to generate;

(D) Whether such automated system (i) discriminated against any individual or group of individuals in violation of the laws of this state or federal law, or (ii) disproportionately impacted any individual or group of individuals, in violation of the laws of this state or federal law, on the basis of any actual or perceived differentiating characteristic, including, but not limited to, 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;

(E) A description of the purpose and intended use of such automated system, including, but not limited to, (i) which decision or decisions such automated system was used to make, inform or support, (ii) whether such automated system is an automated final decision system or automated decision support system, and (iii) the benefit or benefits such automated system was purported to confer and any data or research necessary to determine whether such automated system conferred such purported benefit or benefits;

(F) How the data used or generated by such automated system was processed and stored, whether the state agency or agencies that
developed, utilized or procured such automated system intend to share
access to such automated system or data with any other person, the
name of such person and why such state agency or agencies intend to
share such access or data with such person; and

(G) A description of the impact that such automated system had on
the state's finances, including, but not limited to, (i) the initial
acquisition and ongoing operating costs for such automated system, (ii)
any cost savings provided by such automated system, and (iii) any
current or potential sources of funding for such automated system.

(b) The Office of Artificial Intelligence shall, as part of the review and
inventory performed pursuant to subsection (a) of this section,
determine whether an automated system that was developed, utilized
or procured by any state agency during the calendar year beginning
January 1, 2023:

(1) Infringed any legal right of any resident of this state or gave rise
to any liability on behalf of, or posed any risk to, this state; and

(2) Was transparent and made available to the public under the
Freedom of Information Act, as defined in section 1-200 of the general
statutes.

(c) Not later than December 31, 2024, the Artificial Intelligence Officer
shall prepare and submit a report, in accordance with section 11-4a of
the general statutes, to the joint standing committee of the General
Assembly having cognizance of matters relating to consumer
protection. Such report shall contain the review and inventory prepared
pursuant to subsection (a) of this section.

Sec. 4. (NEW) (Effective July 1, 2023) (a) No state agency shall develop,
utilize or procure any automated system on or after January 1, 2024,
unless such state agency satisfies the requirements established in this
section.

(b) Any state agency that intends to develop, utilize or procure any
automated system on or after January 1, 2024, shall provide to the Office
of Artificial Intelligence, in a form and manner prescribed by the
Artificial Intelligence Officer, at least sixty days' advance written notice
disclosing that such state agency intends to develop, utilize or procure
such automated system.

(c) (1) Not later than ninety days after the Office of Artificial
Intelligence receives any notice submitted pursuant to subsection (b) of
this section, the office, or a third party selected by the office, shall:

(A) Review the automated system that is the subject of such notice to
determine whether developing, utilizing or procuring such automated
system would:

(i) Result in any discrimination against any individual or a group of
individuals in a manner that is prohibited by the laws of this state or
federal law; or

(ii) Disproportionately impact any individual or group of
individuals, in violation of the laws of this state or federal law, on the
basis of any actual or perceived differentiating characteristic, including,
but not limited to, 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; and

(B) Send a notice to the state agency that submitted such notice
disclosing that the office has determined that developing, utilizing or
procuring such automated system would:

(i) Result in discrimination against any individual or group of
individuals in the manner described in subparagraph (A)(i) of this
subdivision, the reasons for such determination and that such state
agency shall not develop, utilize or procure such automated system;

(ii) Disproportionately impact any individual or group of individuals
in the manner described in subparagraph (A)(ii) of this subdivision, the
reasons for such determination and that such state agency shall not
develop, utilize or procure such automated system; or

(iii) Not result in any discrimination described in subparagraph (A)(i)
of this subdivision, or have any disproportionate impact described in
subparagraph (A)(ii) of this subdivision, and that such state agency may
develop, utilize or procure such automated system.

(2) If the office does not send any notice pursuant to subparagraph
(B) of subdivision (1) of this subsection within the ninety-day period
established in subdivision (1) of this subsection, the state agency may
develop, utilize or procure such automated system.

(d) Each state agency shall comply with the automated system
procedures.

(e) (1) On and after July 1, 2025, the Office of Artificial Intelligence
may, in the Artificial Intelligence Officer's discretion, periodically
reevaluate any automated system that is developed, utilized or
procured by any state agency to ensure that:

(A) Such automated system does not (i) discriminate against any
individual or group of individuals in the manner described in
subparagraph (A)(i) of subdivision (1) of subsection (c) of this section,
or (ii) disproportionately impact any individual or group of individuals
in the manner described in subparagraph (A)(ii) of subdivision (1) of
subsection (c) of this section; and

(B) Such state agency is in compliance with the automated system
procedures.

(2) If the Office of Artificial Intelligence determines, in the Artificial
Intelligence Officer's discretion, that any automated system that is
developed, utilized or procured by any state agency results in any
discrimination described in subparagraph (A)(i) of subdivision (1) of
subsection (c) of this section or has any disproportionate impact
described in subparagraph (A)(ii) of subdivision (1) of subsection (c) of
this section, or that such state agency has failed to comply with the
automated system procedures, the officer shall direct such state agency
to immediately cease development, utilization or procurement of such
automated system.

Sec. 5. (NEW) (Effective July 1, 2023) Not later than February 15, 2025,
and annually thereafter, the Artificial Intelligence Officer shall prepare
and submit a report, in accordance with section 11-4a of the general
statutes, to the joint standing committee of the General Assembly
having cognizance of matters relating to consumer protection. Such
report shall contain: (1) The current automated system procedures and
any updates made to such procedures during the preceding calendar
year; (2) any legislation recommended pursuant to subdivision (2) of
subsection (a) of section 2 of this act; (3) information concerning the
extent to which state agencies used automated systems during the
preceding calendar year; and (4) any other information the Artificial
Intelligence Officer determines, in the officer's discretion, is relevant for
the purposes of this section and sections 1 to 4, inclusive, of this act.

Sec. 6. Subsection (a) of section 42-517 of the general statutes is
repealed and the following is substituted in lieu thereof (Effective July 1,
2023):

(a) The provisions of sections 42-515 to 42-525, inclusive, do not apply
to any: (1) Body, authority, board, bureau, commission, district or
agency of this state or of any political subdivision of this state; (2)
nonprofit organization; (3) institution of higher education; (4) national
securities association that is registered under 15 USC 78o-3 of the
Securities Exchange Act of 1934, as amended from time to time; (5)
financial institution or data subject to Title V of the Gramm-Leach-Bliley
Act, 15 USC 6801 et seq.; [or] (6) covered entity or business associate, as
defined in 45 CFR 160.103; or (7) air carrier, as defined in 49 USC 40102,
as amended from time to time, and regulated under the Federal
Aviation Act of 1958, 49 USC 40101 et seq., and the Airline Deregulation
Act, 49 USC 41713, as said acts may be amended from time to time.
Sec. 7. Subsection (a) of section 42-520 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2023):

(a) A controller shall: (1) Limit the collection of personal data to what is adequate, relevant and reasonably necessary in relation to the purposes for which such data is processed, as disclosed to the consumer; (2) except as otherwise provided in sections 42-515 to 42-525, inclusive, not process personal data for purposes that are neither reasonably necessary to, nor compatible with, the disclosed purposes for which such personal data is processed, as disclosed to the consumer, unless the controller obtains the consumer's consent; (3) establish, implement and maintain reasonable administrative, technical and physical data security practices to protect the confidentiality, integrity and accessibility of personal data appropriate to the volume and nature of the personal data at issue; (4) not process sensitive data concerning a consumer without obtaining the consumer's consent, or, in the case of the processing of sensitive data concerning a known child, without processing such data in accordance with COPPA; (5) not process personal data in violation of the laws of this state and federal laws that prohibit unlawful discrimination against consumers; (6) provide an effective mechanism for a consumer to revoke the consumer's consent under this section that is at least as easy as the mechanism by which the consumer provided the consumer's consent and, upon revocation of such consent, cease to process the data as soon as practicable, but not later than fifteen days after the receipt of such request; and (7) not process the personal data of a consumer for purposes of targeted advertising, or sell the consumer's personal data without the consumer's consent, under circumstances where a controller has actual knowledge, [and] or wilfully disregards, that the consumer is at least thirteen years of age but younger than sixteen years of age. A controller shall not discriminate against a consumer for exercising any of the consumer rights contained in sections 42-515 to 42-525, inclusive, including denying goods or services, charging different prices or rates for goods or services or providing a different level of quality of goods or services
Sec. 8. (Effective from passage) (a) There is established a task force to study artificial intelligence and develop an artificial intelligence bill of rights. Such study shall include, but need not be limited to, an examination of the impact that artificial intelligence has on residents of this state and persons doing business in this state.

(b) The task force shall consist of the following members:

(1) Two appointed by the speaker of the House of Representatives;
(2) Two appointed by the president pro tempore of the Senate;
(3) One appointed by the majority leader of the House of Representatives;
(4) One appointed by the majority leader of the Senate;
(5) One appointed by the minority leader of the House of Representatives;
(6) One appointed by the minority leader of the Senate;
(7) The Commissioner of Administrative Services, or the commissioner's designee; and
(8) Two appointed by the Governor.

(c) Any member of the task force appointed under subdivision (1), (2), (3), (4), (5) or (6) of subsection (b) of this section may be a member of the General Assembly.

(d) All initial appointments to the task force shall be made not later than thirty days after the effective date of this section. Any vacancy shall be filled by the appointing authority.

(e) The speaker of the House of Representatives and the president pro tempore of the Senate shall select the chairpersons of the task force from
among the members of the task force. Such chairpersons shall schedule
the first meeting of the task force, which shall be held not later than sixty
days after the effective date of this section.

(f) The administrative staff of the joint standing committee of the
General Assembly having cognizance of matters relating to consumer
protection shall serve as administrative staff of the task force.

(g) Not later than January 1, 2024, the task force shall submit a report
on its findings and recommendations to the joint standing committee of
the General Assembly having cognizance of matters relating to
consumer protection, in accordance with the provisions of section 11-4a
of the general statutes. The task force shall terminate on the date that it
submits such report or January 1, 2024, whichever is later.

This act shall take effect as follows and shall amend the following
sections:

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**Statement of Purpose:**
To: (1) Establish an Office of Artificial Intelligence; (2) exempt air
carriers from certain provisions concerning data privacy; (3) provide
that a controller shall not process the personal data of a consumer for
purposes of targeted advertising, or sell the consumer's personal data
without the consumer's consent, under circumstances where a controller
has actual knowledge, or wilfully disregards, that the consumer is at
least thirteen years of age but younger than sixteen years of age; and (4)
establish a task force to (A) study artificial intelligence, and (B) develop
an artificial intelligence bill of rights.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except
that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not
underlined.]