Senate

General Assembly

File No. 188

February Session, 2024

Substitute Senate Bill No. 2

Senate, April 2, 2024

The Committee on General Law reported through SEN. MARONEY of the 14th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING ARTIFICIAL INTELLIGENCE.

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

Section 1. (NEW) (*Effective October 1, 2024*) For the purposes of this section and sections 2 to 9, inclusive, of this act, unless the context otherwise requires:

(1) "Algorithmic discrimination" (A) means any condition in which an artificial intelligence system materially increases the risk of any unjustified differential treatment or impact that disfavors any individual or group of individuals on the basis of their actual or perceived age, color, disability, ethnicity, genetic information, limited proficiency in the English language, national origin, race, religion, reproductive health, sex, veteran status or other classification protected under the laws of this state, and (B) does not include (i) any offer, license or use of an artificial intelligence system by a developer or deployer for the sole purpose of (I) the developer's or deployer's self-testing to identify, mitigate or prevent discrimination or otherwise ensure compliance with state and federal law, or (II) expanding an applicant,

customer or participant pool to increase diversity or redress historic discrimination, or (ii) any act or omission by or on behalf of a private club or other establishment not in fact open to the public, as set forth in Title II of the Civil Rights Act of 1964, 42 USC 2000a(e), as amended from time to time;

(2) "Artificial intelligence system" means any machine-based system that, for any explicit or implicit objective, infers from the inputs such system receives how to generate outputs, including, but not limited to, content, decisions, predictions or recommendations, that can influence physical or virtual environments;

(3) "Consequential decision" means any decision that has a material legal or similarly significant effect on any consumer's access to, or availability, cost or terms of, any criminal justice remedy, education enrollment or opportunity, employment or employment opportunity, essential good or service, financial or lending service, essential government service, health care service, housing, insurance or legal service;

(4) "Consumer" means any individual who is a resident of this state;

(5) "Deploy" means to use a generative artificial intelligence system or high-risk artificial intelligence system;

(6) "Deployer" means any person doing business in this state that deploys (A) a generative artificial intelligence system, or (B) a high-risk artificial intelligence system;

(7) "Developer" means any person doing business in this state that develops, or intentionally and substantially modifies, (A) a general-purpose artificial intelligence model, (B) a generative artificial intelligence system, or (C) a high-risk artificial intelligence system;

(8) "General-purpose artificial intelligence model" (A) means any form of artificial intelligence system that (i) displays significant generality, (ii) is capable of competently performing a wide range of distinct tasks, and (iii) can be integrated into a variety of downstream

applications or systems, and (B) does not include any artificial intelligence model that is used for development, prototyping and research activities before such model is released on the market;

(9) "Generative artificial intelligence system" means any artificial intelligence system, including, but not limited to, a general-purpose artificial intelligence model, that is able to produce or manipulate synthetic digital content;

(10) "High-risk artificial intelligence system" means any artificial intelligence system that has been specifically developed and marketed, or intentionally and substantially modified, to make, or be a controlling factor in making, a consequential decision;

(11) "Intentional and substantial modification" means any deliberate change made to (A) a generative artificial intelligence system, other than a change made to a generative artificial intelligence system as a result of learning after the generative artificial intelligence system has been deployed, that (i) affects compliance of the generative artificial intelligence system, or (ii) changes the purpose of the generative artificial intelligence system, or (B) a high-risk artificial intelligence system that creates, or potentially creates, any new risk of algorithmic discrimination;

(12) "Person" means any individual, association, corporation, limited liability company, partnership, trust or other legal entity; and

(13) "Synthetic digital content" means any digital content, including, but not limited to, any audio, image, text or video, that is produced or manipulated by a generative artificial intelligence system.

Sec. 2. (NEW) (*Effective October 1, 2024*) (a) Beginning on July 1, 2025, each developer shall use reasonable care to protect consumers from any known or reasonably foreseeable risks of algorithmic discrimination. In any enforcement action brought on or after said date by the Attorney General or the Commissioner of Consumer Protection pursuant to section 9 of this act, there shall be a rebuttable presumption that a

developer used reasonable care as required under this subsection if the developer complied with the provisions of this section.

(b) Beginning on July 1, 2025, and except as provided in subsection (f) of this section, no developer shall offer, sell, lease, license, give or otherwise make available to a deployer a high-risk artificial intelligence system unless the developer also makes available to the deployer:

(1) A general statement describing the intended uses of such high-risk artificial intelligence system; and

(2) Documentation (A) disclosing (i) known or reasonably foreseeable limitations of such high-risk artificial intelligence system, including, but not limited to, known or reasonably foreseeable risks of algorithmic discrimination arising from the intended uses of such high-risk artificial intelligence system, (ii) the purpose of such high-risk artificial intelligence system, and (iii) the intended benefits and uses of such high-risk artificial intelligence system, and (B) describing (i) the type of data used to train such high-risk artificial intelligence system, (ii) how such high-risk artificial intelligence system was evaluated for performance and relevant information related to explainability before such high-risk artificial intelligence system was offered, sold, leased, licensed, given or otherwise made available to a deployer, (iii) the data governance measures used to cover the training datasets and the measures used to examine the suitability of data sources, possible biases and appropriate mitigation, (iv) the intended outputs of such high-risk artificial intelligence system, (v) the measures the developer has taken to mitigate any known or reasonably foreseeable risks of algorithmic discrimination that may arise from deployment of such high-risk artificial intelligence system, and (vi) how such high-risk artificial intelligence system will be used or monitored by an individual when such high-risk artificial intelligence system is used to make, or as a controlling factor in making, a consequential decision.

(c) Except as provided in subsection (f) of this section, any developer that, on or after July 1, 2025, offers, sells, leases, licenses, gives or otherwise makes available to a deployer a high-risk artificial intelligence

system shall provide to the deployer, to the extent feasible, the documentation and information necessary for the deployer, or a third party contracted by the deployer, to complete an impact assessment pursuant to subsection (c) of section 3 of this act. The developer shall provide such documentation and information to the deployer through artifacts such as model cards, dataset cards or other impact assessments, and such documentation and information shall enable the deployer, or a third party contracted by the deployer, to complete an impact assessment pursuant to subsection (c) of section 3 of this act.

(d) (1) Beginning on July 1, 2025, each developer shall make available, in a manner that is clear and readily available for public inspection on such developer's Internet web site or in a public use case inventory, a statement summarizing:

(A) The types of high-risk artificial intelligence systems that such developer (i) has developed or intentionally and substantially modified, and (ii) currently makes available to deployers; and

(B) How such developer manages known or reasonably foreseeable risks of algorithmic discrimination arising from development or intentional and substantial modification of the types of high-risk artificial intelligence systems described in subparagraph (A) of this subdivision.

(2) Each developer shall update the statement described in subdivision (1) of this subsection (A) as necessary to ensure that such statement remains accurate, and (B) not later than ninety days after the developer intentionally and substantially modifies any high-risk artificial intelligence system described in subparagraph (A) of subdivision (1) of this subsection.

(e) Beginning on July 1, 2025, the developer of a high-risk artificial intelligence system shall disclose to the Attorney General, the Commissioner of Consumer Protection and all known deployers of the high-risk artificial intelligence system any known or reasonably foreseeable risk of algorithmic discrimination arising from the intended

uses of such high-risk artificial intelligence system not later than ninety days after the date on which such developer:

(1) Discovers through such developer's ongoing testing and analysis that such high-risk artificial intelligence system has been deployed and caused, or is reasonably likely to have caused, algorithmic discrimination; or

(2) Receives from a deployer a credible report that such high-risk artificial intelligence system has been deployed and caused, or is reasonably likely to have caused, algorithmic discrimination.

(f) Nothing in subsections (b) to (e), inclusive, of this section shall be construed to require a developer to disclose any trade secret, as defined in section 35-51 of the general statutes, or other confidential or proprietary information.

(g) Beginning on July 1, 2025, the Attorney General or the Commissioner of Consumer Protection may require that a developer disclose to the Attorney General or the Commissioner of Consumer Protection, in a form and manner prescribed by the Attorney General or the Commissioner of Consumer Protection, any statement or documentation described in subsection (b) of this section if such statement or documentation is relevant to an investigation conducted by the Attorney General or the Commissioner of Consumer Protection. The Attorney General or the Commissioner of Consumer Protection may evaluate such statement or documentation to ensure compliance with the provisions of this section, and such statement or documentation shall be exempt from disclosure under the Freedom of Information Act, as defined in section 1-200 of the general statutes. To the extent any information contained in any such statement or documentation includes any information subject to the attorney-client privilege or work product protection, such disclosure shall not constitute a waiver of such privilege or protection.

Sec. 3. (NEW) (*Effective October 1, 2024*) (a) Beginning on July 1, 2025, each deployer of a high-risk artificial intelligence system shall use

reasonable care to protect consumers from any known or reasonably foreseeable risks of algorithmic discrimination. In any enforcement action brought on or after said date by the Attorney General or the Commissioner of Consumer Protection pursuant to section 9 of this act, or by the Commission on Human Rights and Opportunities as provided in chapter 814c of the general statutes, there shall be a rebuttable presumption that a deployer of a high-risk artificial intelligence system used reasonable care as required under this subsection if the deployer complied with the provisions of subsections (b) to (g), inclusive, of this section.

(b) (1) Beginning on July 1, 2025, no deployer shall deploy a high-risk artificial intelligence system unless the deployer has implemented a risk management policy and program. The risk management policy and program shall specify and incorporate the principles, processes and personnel that the deployer shall use to identify, document and eliminate any known or reasonably foreseeable risks of algorithmic discrimination. Each risk management policy and program implemented and maintained pursuant to this subsection shall be reasonable, considering:

(A) (i) The guidance and standards set forth in the latest version of the "Artificial Intelligence Risk Management Framework" published by the National Institute of Standards and Technology or another nationally or internationally recognized risk management framework for artificial intelligence systems;

(ii) Any risk management framework for artificial intelligence systems designated by the Banking Commissioner or Insurance Commissioner if the deployer is regulated by the Department of Banking or Insurance Department; or

(iii) Any risk management framework for artificial intelligence systems that the Attorney General, in the Attorney General's discretion, may designate;

(B) The size and complexity of the deployer;

(C) The nature and scope of the high-risk artificial intelligence systems deployed by the deployer, including, but not limited to, the intended uses of such high-risk artificial intelligence systems; and

(D) The sensitivity and volume of data processed in connection with the high-risk artificial intelligence systems deployed by the deployer.

(2) A risk management policy and program implemented pursuant to subdivision (1) of this subsection may cover multiple high-risk artificial intelligence systems deployed by the deployer.

(c) (1) Except as provided in subdivisions (3) and (4) of this subsection:

(A) A deployer that deploys a high-risk artificial intelligence system on or after July 1, 2025, or a third party contracted by the deployer, shall complete an impact assessment for the high-risk artificial intelligence system; and

(B) Beginning on July 1, 2025, a deployer, or a third party contracted by the deployer, shall complete an impact assessment for a deployed high-risk artificial intelligence system not later than ninety days after any intentional and substantial modification to such high-risk artificial intelligence system is made available.

(2) (A) Each impact assessment completed pursuant to this subsection shall include, at a minimum:

(i) A statement by the deployer disclosing the purpose, intended use cases and deployment context of, and benefits afforded by, the high-risk artificial intelligence system;

(ii) An analysis of whether the deployment of the high-risk artificial intelligence system poses any known or reasonably foreseeable risks of algorithmic discrimination and, if so, the nature of such algorithmic discrimination and the steps that have been taken to eliminate such risks;

(iii) A description of (I) the categories of data the high-risk artificial intelligence system processes as inputs, and (II) the outputs such high-risk artificial intelligence system produces;

(iv) If the deployer used data to customize the high-risk artificial intelligence system, an overview of the categories of data the deployer used to retrain such high-risk artificial intelligence system;

(v) Any metrics used to evaluate the performance and known limitations of the high-risk artificial intelligence system;

(vi) A description of any transparency measures taken concerning the high-risk artificial intelligence system, including, but not limited to, any measures taken to disclose to a consumer that such high-risk artificial intelligence system is in use when such high-risk artificial intelligence system is in use; and

(vii) A description of the post-deployment monitoring and user safeguards provided concerning such high-risk artificial intelligence system, including, but not limited to, the oversight process established by the deployer to address issues arising from deployment of such high-risk artificial intelligence system.

(B) In addition to the statement, analysis, descriptions, overview and metrics required under subparagraph (A) of this subdivision, each impact assessment completed pursuant to this subsection following an intentional and substantial modification made to a high-risk artificial intelligence system on or after July 1, 2025, shall include a statement disclosing the extent to which the high-risk artificial intelligence system was used in a manner that was consistent with, or varied from, the developer's intended uses of such high-risk artificial intelligence system.

(3) A single impact assessment may address a comparable set of high-risk artificial intelligence systems deployed by a deployer.

(4) If a deployer, or a third party contracted by the deployer, completes an impact assessment for the purpose of complying with

another applicable law or regulation, such impact assessment shall be deemed to satisfy the requirements established in this subsection if such impact assessment is reasonably similar in scope and effect to the impact assessment that would otherwise be completed pursuant to this subsection.

(5) A deployer shall maintain the most recently completed impact assessment for a high-risk artificial intelligence system as required under this subsection, all records concerning each such impact assessment and all prior impact assessments, if any, for a period of at least three years following the final deployment of the high-risk artificial intelligence system.

(d) Beginning on July 1, 2025, a deployer, or a third party contracted by the deployer, shall review, at least annually, the deployment of each high-risk artificial intelligence system deployed by the deployer to ensure that such high-risk artificial intelligence system is not causing algorithmic discrimination.

(e) (1) Beginning on July 1, 2025, and not later than the time that a deployer deploys a high-risk artificial intelligence system to make, or be a controlling factor in making, a consequential decision concerning a consumer, the deployer shall:

(A) Notify the consumer that the deployer has deployed a high-risk artificial intelligence system to make, or be a controlling factor in making, such consequential decision; and

(B) Provide to the consumer (i) a statement disclosing (I) the purpose of such high-risk artificial intelligence system, and (II) the nature of such consequential decision, (ii) contact information for such deployer, and (iii) a description, in plain language, of such high-risk artificial intelligence system, which description shall, at a minimum, include a description of (I) any human components of such high-risk artificial intelligence system, and (II) how any automated components of such high-risk artificial intelligence system are used to inform such consequential decision.

(2) A deployer may provide to a consumer the notice, statement, contact information and description required under subdivision (1) of this subsection in any manner that is clear and readily available.

(f) (1) Beginning on July 1, 2025, each deployer shall make available, in a manner that is clear and readily available for public inspection, a statement summarizing:

(A) The types of high-risk artificial intelligence systems that are currently deployed by such deployer; and

(B) How such deployer manages any known or reasonably foreseeable risks of algorithmic discrimination that may arise from deployment of each high-risk artificial intelligence system described in subparagraph (A) of this subdivision.

(2) Each deployer shall periodically update the statement described in subdivision (1) of this subsection.

(g) If a deployer deploys a high-risk artificial intelligence system on or after July 1, 2025, and subsequently discovers that the high-risk artificial intelligence system has caused, or is reasonably likely to have caused, algorithmic discrimination against any consumer, the deployer shall, not later than ninety days after the date of such discovery, send to the Attorney General or the Commissioner of Consumer Protection, in a form and manner prescribed by the Attorney General or the Commissioner of Consumer Protection, a notice disclosing such discovery.

(h) Nothing in subsections (b) to (g), inclusive, of this section shall be construed to require a deployer to disclose any trade secret, as defined in section 35-51 of the general statutes, or other confidential or proprietary information.

(i) Beginning on July 1, 2025, the Attorney General or the Commissioner of Consumer Protection may require that a deployer, or the third party contracted by the deployer as set forth in subsection (c) of this section, as applicable, disclose to the Attorney General or the

Commissioner of Consumer Protection, in a form and manner prescribed by the Attorney General or the Commissioner of Consumer Protection, any risk management policy implemented pursuant to subsection (b) of this section, impact assessment completed pursuant to subsection (c) of this section or record maintained pursuant to subdivision (5) of subsection (c) of this section if such risk management policy, impact assessment or record is relevant to an investigation conducted by the Attorney General or the Commissioner of Consumer Protection. The Attorney General or the Commissioner of Consumer Protection may evaluate such risk management policy, impact assessment or record to ensure compliance with the provisions of this section, and such risk management policy, impact assessment or record shall be exempt from disclosure under the Freedom of Information Act, as defined in section 1-200 of the general statutes. To the extent any information contained in any such risk management policy, impact assessment or record includes any information subject to the attorney-client privilege or work product protection, such disclosure shall not constitute a waiver of such privilege or protection.

Sec. 4. (NEW) (*Effective October 1, 2024*) (a) Beginning on January 1, 2026, each developer of a general-purpose artificial intelligence model shall:

(1) Create and maintain technical documentation for the general-purpose artificial intelligence model, which technical documentation shall:

(A) Include (i) the training and testing processes for such general-purpose artificial intelligence model, and (ii) the results of an evaluation of such general-purpose artificial intelligence model;

(B) Include at least the following information, as appropriate, considering the size and risk profile of such general-purpose artificial intelligence model: (i) The tasks such general-purpose artificial intelligence model is intended to perform; (ii) the type and nature of artificial intelligence systems in which such general-purpose artificial intelligence model can be integrated; (iii) acceptable use policies for such

general-purpose artificial intelligence model; (iv) the date such general-purpose artificial intelligence model is released; (v) the methods by which such general-purpose artificial intelligence model is distributed; (vi) the architecture and number of parameters for such general-purpose artificial intelligence model; and (vii) the modality and format of inputs and outputs for such general-purpose artificial intelligence model; and

(C) Be reviewed and revised at least annually or more frequently as necessary to maintain the accuracy of such technical documentation;

(2) Create, implement, maintain and make available to deployers that intend to integrate such general-purpose artificial intelligence model into such deployers' artificial intelligence systems documentation and information that:

(A) Enables such deployers to (i) understand the capabilities and limitations of such general-purpose artificial intelligence model, and (ii) comply with such deployers' obligations under sections 1 to 9, inclusive, of this act;

(B) Discloses, at a minimum, (i) the technical means required for such general-purpose artificial intelligence model to be integrated into such deployers' artificial intelligence systems, (ii) the design specifications of, and training processes for, such general-purpose artificial intelligence model, including, but not limited to, (I) the training methodologies and techniques for such general-purpose artificial intelligence model, and (II) the key design choices for such general-purpose artificial intelligence model, including, but not limited to, the rationale and assumptions made, (iii) that for which such general-purpose artificial intelligence model is designed to optimize and the relevance of the different parameters, as applicable, and (iv) a description of the data that was used for purposes of training, testing and validation, where applicable, including, but not limited to, (I) the type and provenance of such data, (II) curation methodologies, (III) the number of data points, their scope and main characteristics, (IV) how such data were obtained and selected, and (V) all other measures used to identify unsuitable data

sources and methods used to detect identifiable biases, where applicable; and

(C) Is reviewed and revised at least annually or more frequently as necessary to maintain the accuracy of such documentation and information;

(3) Establish, implement and maintain a policy to respect federal and state copyright laws; and

(4) Create, maintain and make publicly available, in a form and manner prescribed by the Attorney General, a detailed summary concerning the content used to train such general-purpose artificial intelligence model.

(b) (1) The provisions of subsection (a) of this section shall not apply to a developer that develops, or intentionally and substantially modifies, a general-purpose artificial intelligence model on or after January 1, 2026, if:

(A) The developer releases such general-purpose artificial intelligence model under a free and open-source license; and

(B) Unless such general-purpose artificial intelligence model is deployed as a high-risk artificial intelligence system, the parameters of such general-purpose artificial intelligence model, including, but not limited to, the weights and information concerning the model architecture and model usage for such general-purpose artificial intelligence model, are made publicly available.

(2) A developer that takes any action under the exemption established in subdivision (1) of this subsection shall bear the burden of demonstrating that such action qualifies for such exemption.

(c) Nothing in subsection (a) of this section shall be construed to require a developer to disclose any trade secret, as defined in section 35-51 of the general statutes, or other confidential or proprietary information.

(d) Beginning on January 1, 2026, the Attorney General or the Commissioner of Consumer Protection may require that a developer disclose to the Attorney General or the Commissioner of Consumer Protection, in a form and manner prescribed by the Attorney General or the Commissioner of Consumer Protection, any documentation maintained pursuant to this section if such documentation is relevant to an investigation conducted by the Attorney General or the Commissioner of Consumer Protection. The Attorney General or the Commissioner of Consumer Protection may evaluate such documentation to ensure compliance with the provisions of this section and any regulations adopted pursuant to subsection (e) of this section, and such documentation shall be exempt from disclosure under the Freedom of Information Act, as defined in section 1-200 of the general statutes. To the extent any such documentation includes any information subject to the attorney-client privilege or work product protection, such disclosure shall not constitute a waiver of such privilege or protection.

(e) The Commissioner of Consumer Protection may adopt regulations, in accordance with the provisions of chapter 54 of the general statutes, to implement the provisions of this section.

Sec. 5. (NEW) (*Effective October 1, 2024*) (a) Except as provided in subsection (b) of this section, each person doing business in this state, including, but not limited to, each deployer that deploys, offers, sells, leases, licenses, gives or otherwise makes available, as applicable, any artificial intelligence system that is intended to interact with consumers shall ensure that such artificial intelligence system discloses to each consumer who interacts with such artificial intelligence system that such consumer is interacting with an artificial intelligence system.

(b) No disclosure shall be required under subsection (a) of this section under circumstances in which:

(1) A reasonable person would deem it obvious that such person is interacting with an artificial intelligence system; or

(2) The deployer did not make the artificial intelligence system directly available to consumers.

Sec. 6. (NEW) (*Effective October 1, 2024*) (a) Except as provided in subsection (b) of this section, the developer of an artificial intelligence system, including, but not limited to, a general-purpose artificial intelligence model, that generates or manipulates synthetic digital content shall:

(1) Ensure that the outputs of such artificial intelligence system are marked in a machine-readable format and detectable as synthetic digital content, and that such outputs are so marked and distinguishable (A) not later than the time a consumer first interacts with, or is exposed to, such outputs, and (B) in a manner that (i) is clear to consumers, and (ii) respects any applicable accessibility requirements; and

(2) As far as technically feasible and as reflected in any relevant technical standards, ensure that such developer's technical solutions are effective, interoperable, robust and reliable, taking into account (A) the specificities and limitations of different types of synthetic digital content, (B) the implementation costs, and (C) the generally acknowledged state of the art.

(b) The provisions of subsection (a) of this section shall not apply to the extent that any artificial intelligence system:

(1) Performs an assistive function for standard editing;

(2) Does not substantially alter the input data provided by the deployer or the semantics thereof; or

(3) Is used to detect, prevent, investigate or prosecute any crime where authorized by law.

Sec. 7. (NEW) (*Effective October 1, 2024*) (a) Except as provided in subsections (b) to (d), inclusive, of this section, the deployer of an artificial intelligence system, including, but not limited to, a general-purpose artificial intelligence model, that generates or manipulates any

synthetic digital content shall disclose to a consumer that such synthetic digital content has been artificially generated or manipulated:

(1) Not later than the first time the consumer interacts with, or is exposed to, such synthetic digital content; and

(2) In a manner that (A) is clear to, and distinguishable by, consumers, and (B) respects any applicable accessibility requirements.

(b) If the synthetic digital content described in subsection (a) of this section is in an audio, image or video format, and such synthetic digital content forms part of an evidently artistic, creative, satirical, fictional analogous work or program, the disclosure required under said subsection shall be limited to a disclosure that does not hamper the display or enjoyment of such work or program.

(c) If the synthetic digital content described in subsection (a) of this section is in the form of text published to inform the public on any matter of public interest, no disclosure shall be required under said subsection if:

(1) Such synthetic digital content has undergone a process of human review or editorial control; and

(2) A person holds editorial responsibility for the publication of such synthetic digital content.

(d) The disclosure requirements established in subsection (a) of this section shall not apply to the extent that any artificial intelligence system described in said subsection is used to detect, prevent, investigate or prosecute any crime where authorized by law.

Sec. 8. (NEW) (*Effective October 1, 2024*) (a) Nothing in sections 1 to 9, inclusive, of this act shall be construed to restrict a developer's or deployer's ability to: (1) Comply with federal, state or municipal law; (2) comply with a civil, criminal or regulatory inquiry, investigation, subpoena or summons by federal, state, municipal or other governmental authorities; (3) cooperate with law enforcement agencies

concerning conduct or activity that the developer or deployer reasonably and in good faith believes may violate federal, state or municipal law; (4) investigate, establish, exercise, prepare for or defend legal claims; (5) take immediate steps to protect an interest that is essential for the life or physical safety of a consumer or another individual; (6) prevent, detect, protect against or respond to security incidents, identity theft, fraud, harassment, malicious or deceptive activities or any illegal activity, preserve the integrity or security of systems or investigate, report or prosecute those responsible for any such action; (7) engage in public or peer-reviewed scientific or statistical research in the public interest that adheres to all other applicable ethics and privacy laws and is approved, monitored and governed by an institutional review board that determines, or by similar independent oversight entities that determine, (A) that the expected benefits of the research outweigh the risks associated with such research, and (B) whether the developer or deployer has implemented reasonable safeguards to mitigate the risks associated with such research; (8) conduct any research, testing and development activities regarding any artificial intelligence system or model, other than testing conducted under real world conditions, before such artificial intelligence system or model is placed on the market or put into service; or (9) assist another developer or deployer with any of the obligations imposed under sections 1 to 9, inclusive, of this act.

(b) The obligations imposed on developers or deployers under sections 1 to 9, inclusive, of this act shall not restrict a developer's or deployer's ability to: (1) Effectuate a product recall; or (2) identify and repair technical errors that impair existing or intended functionality.

(c) The obligations imposed on developers or deployers under sections 1 to 9, inclusive, of this act shall not apply where compliance by the developer or deployer with said sections would violate an evidentiary privilege under the laws of this state.

(d) Nothing in sections 1 to 9, inclusive, of this act shall be construed to impose any obligation on a developer or deployer that adversely

affects the rights or freedoms of any person, including, but not limited to, the rights of any person: (1) To freedom of speech or freedom of the press guaranteed in the First Amendment to the United States Constitution; or (2) under section 52-146t of the general statutes.

(e) Nothing in sections 1 to 9, inclusive, of this act shall be construed to apply to any developer or deployer insofar as such developer or deployer develops, deploys or intentionally and substantially modifies an artificial intelligence system: (1) That has been approved by the federal Food and Drug Administration; and (2) in accordance with all applicable federal laws, regulations, rules and procedures concerning such artificial intelligence system.

(f) If a developer or deployer engages in any action pursuant to an exemption set forth in subsections (a) to (e), inclusive, of this section, the developer or deployer bears the burden of demonstrating that such action qualifies for such exemption.

Sec. 9. (NEW) (*Effective October 1, 2024*) (a) Except as provided in section 46a-54 of the general statutes, as amended by this act, and section 11 of this act, the Attorney General and the Commissioner of Consumer Protection shall have exclusive authority to enforce the provisions of sections 1 to 8, inclusive, of this act.

(b) Except as provided in subsection (f) of this section, during the period beginning on July 1, 2025, and ending on June 30, 2026, the Attorney General or the Commissioner of Consumer Protection shall, prior to initiating any action for a violation of any provision of sections 1 to 8, inclusive, of this act, issue a notice of violation to the developer or deployer if the Attorney General or the Commissioner of Consumer Protection determines that it is possible to cure such violation. If the developer or deployer fails to cure such violation not later than sixty days after receipt of the notice of violation, the Attorney General or the Commissioner of Consumer Protection may bring an action pursuant to this section. Not later than January 1, 2027, the Attorney General or the Commissioner of Consumer Protection shall submit a report, in accordance with the provisions of section 11-4a of the general statutes,

to the joint standing committee of the General Assembly having cognizance of matters relating to consumer protection disclosing: (1) The number of notices of violation the Attorney General or the Commissioner of Consumer Protection has issued; (2) the nature of each violation; (3) the number of violations that were cured during the sixty-day cure period; and (4) any other matter the Attorney General or the Commissioner of Consumer Protection deems relevant for the purposes of such report.

(c) Except as provided in subsection (f) of this section, beginning on July 1, 2026, the Attorney General or the Commissioner of Consumer Protection may, in determining whether to grant a developer or deployer the opportunity to cure a violation described in subsection (b) of this section, consider: (1) The number of violations; (2) the size and complexity of the developer or deployer; (3) the nature and extent of the developer's or deployer's business; (4) the substantial likelihood of injury to the public; (5) the safety of persons or property; and (6) whether such violation was likely caused by human or technical error.

(d) Nothing in sections 1 to 8, inclusive, of this act shall be construed as providing the basis for a private right of action for violations of said sections.

(e) Except as provided in subsections (a) and (f) of this section, a violation of the requirements established in sections 1 to 8, inclusive, of this act shall constitute an unfair trade practice for purposes of section 42-110b of the general statutes and shall be enforced solely by the Attorney General and the Commissioner of Consumer Protection, provided the provisions of section 42-110g of the general statutes shall not apply to such violation.

(f) (1) In any action commenced by the Attorney General or the Commissioner of Consumer Protection for any violation of sections 1 to 8, inclusive, of this act, it shall be an affirmative defense that:

(A) The developer or deployer implemented and maintains a program that is in compliance with:

(i) The latest version of the "Artificial Intelligence Risk Management Framework" published by the National Institute of Standards and Technology or another nationally or internationally recognized risk management framework for artificial intelligence systems;

(ii) Any risk management framework for artificial intelligence systems designated by the Banking Commissioner or Insurance Commissioner if the developer or deployer is regulated by the Department of Banking or Insurance Department; or

(iii) Any risk management framework for artificial intelligence systems that the Attorney General, in the Attorney General's discretion, may designate; and

(B) The developer or deployer:

(i) Encourages the deployers or users of the artificial intelligence system to provide feedback to such developer or deployer;

(ii) Discovers a violation of any provision of sections 1 to 8, inclusive, of this act (I) as a result of the feedback described in subparagraph (B)(i) of this subdivision, (II) through adversarial testing or red-teaming, as such terms are defined or used by the National Institutes of Standards and Technology, or (III) through an internal review process; and

(iii) Not later than sixty days after discovering the violation as set forth in subparagraph (B)(ii) of this subdivision, (I) cures such violation, and (II) provides to the Attorney General or the Commissioner of Consumer Protection, in a form and manner prescribed by the Attorney General or the Commissioner of Consumer Protection, notice that such violation has been cured and evidence that any harm caused by such violation has been mitigated.

(2) The developer or deployer bears the burden of demonstrating to the Attorney General or the Commissioner of Consumer Protection that the requirements established in subdivision (1) of this subsection have been satisfied.

(3) The Attorney General or the Commissioner of Consumer Protection shall notify the Commission on Human Rights and Opportunities, in a form and manner prescribed by the Attorney General or the Commissioner of Consumer Protection, each time the Attorney General or the Commissioner of Consumer Protection commences any action against a deployer for failure to use reasonable care to protect any consumer from any known or reasonably foreseeable risk of algorithmic discrimination as required under section 3 of this act. Such notice shall include the deployer's name and any other information the Attorney General or the Commissioner of Consumer Protection, in consultation with the Commission on Human Rights and Opportunities, deems relevant for the purposes of this section and section 11 of this act.

Sec. 10. Section 46a-51 of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2024*):

As used in section 4a-60a**,** **[**and**]** this chapter and section 11 of this act:

(1) "Algorithmic discrimination" has the same meaning as provided in section 1 of this act;

[(1)**]** (2) "Blind" refers to an individual whose central visual acuity does not exceed 20/200 in the better eye with correcting lenses, or whose visual acuity is greater than 20/200 but is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than twenty degrees;

[(2)**]** (3) "Commission" means the Commission on Human Rights and Opportunities created by section 46a-52;

[(3)**]** (4) "Commission legal counsel" means a member of the legal staff employed by the commission pursuant to section 46a-54, as amended by this act;

[(4)**]** (5) "Commissioner" means a member of the commission;

[(5)**]** (6) "Court" means the Superior Court or any judge of said court;

(7) "Deployer" has the same meaning as provided in section 1 of this act;

[(6)**]** (8) "Discrimination" includes segregation and separation;

[(7)**]** (9) "Discriminatory employment practice" means any discriminatory practice specified in subsection (b), (d), (e) or (f) of section 31-51i or section 46a-60 or 46a-81c;

[(8)**]** (10) "Discriminatory practice" means a violation of section 4a-60, 4a-60a, 4a-60g, 31-40y, subsection (b), (d), (e) or (f) of section 31-51i, subparagraph (C) of subdivision (15) of section 46a-54, as amended by this act, subdivisions (16) and (17) of section 46a-54, as amended by this act, section 46a-58, 46a-59, 46a-60, 46a-64, 46a-64c, 46a-66, 46a-68, 46a-68c to 46a-68f, inclusive, or 46a-70 to 46a-78, inclusive, subsection (a) of section 46a-80 or sections 46a-81b to 46a-81o, inclusive, and sections 46a-80b to 46a-80e, inclusive, and sections 46a-80k to 46a-80m, inclusive, and section 11 of this act;

[(9)**]** (11) "Employee" means any person employed by an employer but shall not include any individual employed by such individual's parents, spouse or child. "Employee" includes any elected or appointed official of a municipality, board, commission, counsel or other governmental body;

[(10)**]** (12) "Employer" includes the state and all political subdivisions thereof and means any person or employer with one or more persons in such person's or employer's employ;

[(11)**]** (13) "Employment agency" means any person undertaking with or without compensation to procure employees or opportunities to work;

[(12)**]** (14) "Labor organization" means any organization which exists for the purpose, in whole or in part, of collective bargaining or of dealing with employers concerning grievances, terms or conditions of

employment, or of other mutual aid or protection in connection with employment;

[(13)**]** (15) "Intellectual disability" means intellectual disability as defined in section 1-1g;

[(14)**]** (16) "Person" means one or more individuals, partnerships, associations, corporations, limited liability companies, legal representatives, trustees, trustees in bankruptcy, receivers and the state and all political subdivisions and agencies thereof;

[(15)**]** (17) "Physically disabled" refers to any individual who has any chronic physical handicap, infirmity or impairment, whether congenital or resulting from bodily injury, organic processes or changes or from illness, including, but not limited to, epilepsy, deafness or being hard of hearing or reliance on a wheelchair or other remedial appliance or device;

[(16)**]** (18) "Respondent" means any person alleged in a complaint filed pursuant to section 46a-82 to have committed a discriminatory practice;

[(17)**]** (19) "Discrimination on the basis of sex" includes but is not limited to discrimination related to pregnancy, child-bearing capacity, sterilization, fertility or related medical conditions;

[(18)**]** (20) "Discrimination on the basis of religious creed" includes but is not limited to discrimination related to all aspects of religious observances and practice as well as belief, unless an employer demonstrates that the employer is unable to reasonably accommodate to an employee's or prospective employee's religious observance or practice without undue hardship on the conduct of the employer's business;

[(19)**]** (21) "Learning disability" refers to an individual who exhibits a severe discrepancy between educational performance and measured intellectual ability and who exhibits a disorder in one or more of the basic psychological processes involved in understanding or in using

language, spoken or written, which may manifest itself in a diminished ability to listen, speak, read, write, spell or to do mathematical calculations;

[(20)**]** (22) "Mental disability" refers to an individual who has a record of, or is regarded as having one or more mental disorders, as defined in the most recent edition of the American Psychiatric Association's "Diagnostic and Statistical Manual of Mental Disorders"; **[**and**]**

[(21)**]** (23) "Gender identity or expression" means a person's gender-related identity, appearance or behavior, whether or not that gender-related identity, appearance or behavior is different from that traditionally associated with the person's physiology or assigned sex at birth, which gender-related identity can be shown by providing evidence including, but not limited to, medical history, care or treatment of the gender-related identity, consistent and uniform assertion of the gender-related identity or any other evidence that the gender-related identity is sincerely held, part of a person's core identity or not being asserted for an improper purpose;

[(22)**]** (24) "Veteran" means veteran as defined in subsection (a) of section 27-103;

[(23)**]** (25) "Race" is inclusive of ethnic traits historically associated with race, including, but not limited to, hair texture and protective hairstyles;

[(24)**]** (26) "Protective hairstyles" includes, but is not limited to, wigs, headwraps and hairstyles such as individual braids, cornrows, locs, twists, Bantu knots, afros and afro puffs;

[(25)**]** (27) "Domestic violence" has the same meaning as provided in subsection (b) of section 46b-1; and

[(26)**]** (28) "Sexual orientation" means a person's identity in relation to the gender or genders to which they are romantically, emotionally or sexually attracted, inclusive of any identity that a person (A) may have previously expressed, or (B) is perceived by another person to hold.

Sec. 11. (NEW) (*Effective October 1, 2024*) (a) As used in this section, "artificial intelligence system", "consumer" and "high-risk artificial intelligence system" have the same meanings as provided in section 1 of this act.

(b) Beginning on July 1, 2025, it shall be a discriminatory practice in violation of this section for any deployer of a high-risk artificial intelligence system to fail to use reasonable care to protect any consumer from any known or reasonably foreseeable risks of algorithmic discrimination as required under section 3 of this act.

(c) Notwithstanding any other provision of chapter 814c of the general statutes, and except as provided in subsection (f) of this section, during the period beginning on July 1, 2025, and ending on June 30, 2026, the commission shall, prior to initiating any action for any discriminatory practice in violation of subsection (b) of this section, issue a notice of violation to the deployer if the commission determines that it is possible to cure such violation. If the deployer fails to cure such violation not later than sixty days after receipt of the notice of violation, the commission may bring an action to enforce the provisions of this section. Not later than January 1, 2027, the commission shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to consumer protection disclosing: (1) The number of notices of violation the commission has issued; (2) the nature of each violation; (3) the number of violations that were cured during the sixty-day cure period; and (4) any other matter the commission deems relevant for the purposes of such report.

(d) Notwithstanding any other provision of chapter 814c of the general statutes, and except as provided in subsection (f) of this section, beginning on July 1, 2026, the commission may, in determining whether to grant a deployer the opportunity to cure any discriminatory practice in violation of subsection (b) of this section, consider: (1) The number of violations; (2) the size and complexity of the deployer; (3) the nature and extent of the deployer's business; (4) the substantial likelihood of injury

to the public; (5) the safety of persons or property; and (6) whether such violation was likely caused by human or technical error.

(e) (1) In any action commenced by the commission for any discriminatory practice in violation of subsection (b) of this section, it shall be an affirmative defense that:

(A) The deployer of the high-risk artificial intelligence system implemented and maintains a program that is in compliance with:

(i) The latest version of the "Artificial Intelligence Risk Management Framework" published by the National Institute of Standards and Technology or another nationally or internationally recognized risk management framework for artificial intelligence systems;

(ii) Any risk management framework for artificial intelligence systems designated by the Banking Commissioner or Insurance Commissioner if the deployer is regulated by the Department of Banking or Insurance Department; or

(iii) Any risk management framework for artificial intelligence systems that the Attorney General, in the Attorney General's discretion, may designate; and

(B) The deployer:

(i) Encourages the users of the high-risk artificial intelligence system to provide feedback to such deployer;

(ii) Discovers any discriminatory practice in violation of subsection (b) of this section: (I) As a result of the feedback described in subparagraph (B)(i) of this subdivision; (II) through adversarial testing or red-teaming, as such terms are defined or used by the National Institutes of Standards and Technology; or (III) through an internal review process; and

(iii) Not later than sixty days after discovering the violation as set forth in subparagraph (B)(ii) of this subdivision: (I) Cures such violation;

and (II) provides to the commission, in a form and manner prescribed by the commission, notice that such violation has been cured and evidence that any harm caused by such violation has been mitigated.

(2) The deployer bears the burden of demonstrating to the commission that the requirements established in subdivision (1) of this subsection have been satisfied.

(f) The commission shall not initiate any action against a deployer for any discriminatory practice in violation of subsection (b) of this section if: (1) The Attorney General or the Commissioner of Consumer Protection has initiated an action against the deployer for a failure to use reasonable care as required under section 3 of this act; and (2) the violation and failure are founded on the same omission or conduct.

(g) Any deployer that engages in any discriminatory practice in violation of subsection (b) of this section shall be fined not less than three thousand dollars and not more than seven thousand dollars for each violation.

Sec. 12. Section 46a-54 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2024*):

The commission shall have the following powers and duties:

(1) To establish and maintain such offices as the commission may deem necessary;

(2) To organize the commission into a division of affirmative action monitoring and contract compliance, a division of discriminatory practice complaints and such other divisions, bureaus or units as may be necessary for the efficient conduct of business of the commission;

(3) To employ legal staff and commission legal counsel as necessary to perform the duties and responsibilities under section 46a-55. Each commission legal counsel shall be admitted to practice law in this state;

(4) To appoint such investigators and other employees and agents as

it deems necessary, fix their compensation within the limitations provided by law and prescribe their duties;

(5) To adopt, publish, amend and rescind regulations consistent with and to effectuate the provisions of this chapter;

(6) To establish rules of practice to govern, expedite and effectuate the procedures set forth in this chapter;

(7) To recommend policies and make recommendations to agencies and officers of the state and local subdivisions of government to effectuate the policies of this chapter;

(8) To receive, initiate as provided in section 46a-82, investigate and mediate discriminatory practice complaints;

(9) By itself or with or by hearing officers or human rights referees, to hold hearings, subpoena witnesses and compel their attendance, administer oaths, take the testimony of any person under oath and require the production for examination of any books and papers relating to any matter under investigation or in question;

(10) To make rules as to the procedure for the issuance of subpoenas by individual commissioners, hearing officers and human rights referees;

(11) To require written answers to interrogatories under oath relating to any complaint under investigation pursuant to this chapter alleging any discriminatory practice as defined in subdivision **[**(8)**]** (10) of section 46a-51, as amended by this act, and to adopt regulations, in accordance with the provisions of chapter 54, for the procedure for the issuance of interrogatories and compliance with interrogatory requests;

(12) To utilize such voluntary and uncompensated services of private individuals, agencies and organizations as may from time to time be offered and needed and with the cooperation of such agencies, (A) to study the problems of discrimination in all or specific fields of human relationships, and (B) to foster through education and community effort

or otherwise good will among the groups and elements of the population of the state;

(13) To require the posting by an employer, employment agency or labor organization of such notices regarding statutory provisions as the commission shall provide;

(14) To require the posting, by any respondent or other person subject to the requirements of section 46a-64, 46a-64c, 46a-81d or 46a-81e, of such notices of statutory provisions as it deems desirable;

(15) To require an employer having three or more employees to (A) post in a prominent and accessible location information concerning the illegality of sexual harassment and remedies available to victims of sexual harassment; (B) provide, not later than three months after the employee's start date with the employer, a copy of the information concerning the illegality of sexual harassment and remedies available to victims of sexual harassment to each employee by electronic mail with a subject line that includes the words "Sexual Harassment Policy" or words of similar import, if (i) the employer has provided an electronic mail account to the employee, or (ii) the employee has provided the employer with an electronic mail address, provided if an employer has not provided an electronic mail account to the employee, the employer shall post the information concerning the illegality of sexual harassment and remedies available to victims of sexual harassment on the employer's Internet web site, if the employer maintains such an Internet web site. An employer may comply with the requirements of this subparagraph, by providing an employee with the link to the commission's Internet web site concerning the illegality of sexual harassment and the remedies available to victims of sexual harassment by electronic mail, text message or in writing; and (C) provide two hours of training and education to employees within one year of October 1, 2019, provided any employer who has provided such training and education to any such employees after October 1, 2018, shall not be required to provide such training and education a second time. An employer having (i) three or more employees, shall provide such

training and education to an employee hired on or after October 1, 2019, not later than six months after the date of his or her hire, provided the commission has developed and made available such training and education materials in accordance with the provisions of subdivision (8) of subsection (a) of section 46a-56; or (ii) less than three employees shall provide such training and education to all supervisory employees within one year of October 1, 2019, and to all new supervisory employees within six months of their assumption of a supervisory position, provided any employer who has provided such training and education to any such supervisory employees after October 1, 2018, shall not be required to provide such training and education a second time. Any supervisory employee hired on or after October 1, 2019, by an employer having less than three employees, shall receive such training and education not later than six months after the date of his or her hire, provided the commission has developed and made available such training and education materials in accordance with the provisions of subdivision (8) of subsection (a) of section 46a-56. Such training and education shall include information concerning the federal and state statutory provisions concerning sexual harassment and remedies available to victims of sexual harassment. If an employee has received in-person training provided by the commission or has taken the no cost online training provided by the commission on its Internet web site in accordance with the provisions of subdivision (8) of subsection (a) of section 46a-56 while employed by a different employer within the two years preceding the date of hire, an employer may consider such prior training to satisfy the training requirements of this subdivision. An employer who is required to provide training under this subdivision shall provide periodic supplemental training that updates all supervisory and nonsupervisory employees on the content of such training and education not less than every ten years. As used in this subdivision, "sexual harassment" has the same meaning as provided in subdivision (8) of subsection (b) of section 46a-60 and "employer" includes the General Assembly and "employee" means any individual employed by an employer, including an individual employed by such individual's parent, spouse or child;

(16) To require each state agency that employs one or more employees to (A) provide a minimum of three hours of diversity training and education (i) to all supervisory and nonsupervisory employees, not later than July 1, 2002, with priority for such training to supervisory employees, and (ii) to all newly hired supervisory and nonsupervisory employees, not later than six months after their assumption of a position with a state agency, with priority for such training to supervisory employees. Such training and education shall include information concerning the federal and state statutory provisions concerning discrimination and hate crimes directed at protected classes and remedies available to victims of discrimination and hate crimes, standards for working with and serving persons from diverse populations and strategies for addressing differences that may arise from diverse work environments; and (B) submit an annual report to the Commission on Human Rights and Opportunities concerning the status of the diversity training and education required under subparagraph (A) of this subdivision. The information in such annual reports shall be reviewed by the commission for the purpose of submitting an annual summary report to the General Assembly. Notwithstanding the provisions of this section, if a state agency has provided such diversity training and education to any of its employees prior to October 1, 1999, such state agency shall not be required to provide such training and education a second time to such employees. The requirements of this subdivision shall be accomplished within available appropriations. As used in this subdivision, "employee" includes any part-time employee who works more than twenty hours per week;

(17) To require each agency to submit information demonstrating its compliance with subdivision (16) of this section as part of its affirmative action plan and to receive and investigate complaints concerning the failure of a state agency to comply with the requirements of subdivision (16) of this section;

(18) To enter into contracts for and accept grants of private or federal funds and to accept gifts, donations or bequests, including donations of

service by attorneys;

(19) To require each state agency to provide a minimum of one hour of training and education related to domestic violence and the resources available to victims of domestic violence (A) to all employees hired prior to January 1, 2023, not later than July 1, 2023, and (B) to all employees hired on or after January 1, 2023, not later than six months after their assumption of a position with a state agency. Such training and education shall include information concerning (i) domestic violence, abuser and victim behaviors; (ii) how domestic violence may impact the workplace; and (iii) the resources available to victims of domestic violence. The requirements of this subdivision shall be accomplished within available appropriations using the training and education materials made available by the commission in accordance with the provisions of subdivision (10) of subsection (a) of section 46a-56; **[**and**]**

(20) To require an employer having three or more employees to post in a prominent and accessible location information concerning domestic violence and the resources available to victims of domestic violence in Connecticut; and

(21) Beginning on July 1, 2025, to require a deployer, or the third party contracted by a deployer as set forth in subsection (c) of section 3 of this act, as applicable, to provide to the commission any impact assessment completed pursuant to said subsection. The deployer or third party shall provide such impact assessment to the commission in a manner prescribed by the commission and not later than seven days after the commission requests such impact assessment. Such impact assessment shall be exempt from disclosure under the Freedom of Information Act, as defined in section 1-200. To the extent any information contained in any such impact assessment includes any information subject to the attorney-client privilege or work product protection, such disclosure shall not constitute a waiver of such privilege or protection. Nothing in this subdivision shall be construed to require a deployer, or the third party contracted by a deployer as set forth in subsection (c) of section 3 of this act, as applicable, to disclose any trade secret, as defined in

section 35-51, or other confidential or proprietary information.

Sec. 13. Section 19a-490s of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2024*):

Except as provided in this section, a health care employer shall report to such employer's local law enforcement agency any act which may constitute an assault or related offense, as described in part V of chapter 952, against a health care employee acting in the performance of his or her duties. A health care employer shall make such report not later than twenty-four hours after the occurrence of the act. The health care employer shall provide the names and addresses of those involved with such act to the local law enforcement agency. A health care employer shall not be required to report any act which may constitute assault or a related offense if the act was committed by a person with a disability as described in subdivision **[**(13), (15) or (20)**]** (15), (17) or (22) of section 46a-51, as amended by this act, whose conduct is a clear and direct manifestation of the disability.

Sec. 14. Subdivision (8) of section 46a-64b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2024*):

(8) "Physical or mental disability" includes, but is not limited to, intellectual disability, as defined in section 1-1g, and physical disability, as defined in subdivision **[**(15)**]** (17) of section 46a-51, as amended by this act, and also includes, but is not limited to, persons who have a handicap as that term is defined in the Fair Housing Act.

Sec. 15. Subsection (c) of section 53a-167c of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2024*):

(c) In any prosecution under this section involving assault of a health care employee, as defined in section 19a-490q, it shall be an affirmative defense that the defendant is a person with a disability as described in subdivision **[**(13), (15) or (20)**]** (15), (17) or (22) of section 46a-51, as

amended by this act, and the defendant's conduct was a clear and direct manifestation of the disability, except that for the purposes of this subsection, "mental disability", as defined in subdivision **[**(20)**]** (22) of section 46a-51, as amended by this act, does not include any abnormality manifested only by repeated criminal or antisocial conduct.

Sec. 16. (NEW) (*Effective from passage*) (a) For the purposes of this section, "artificial intelligence" means: (1) An artificial system that (A) performs tasks under varying and unpredictable circumstances without significant human oversight or can learn from experience and improve such performance when exposed to datasets, (B) is developed in any context, including, but not limited to, software or physical hardware, and solves tasks requiring human-like perception, cognition, planning, learning, communication or physical action, or (C) is designed to (i) think or act like a human by using, for example, a cognitive architecture or neural network, or (ii) act rationally by using, for example, an intelligent software agent or embodied robot that achieves goals through perception, planning, reasoning, learning, communication, decision-making or action; and (2) a set of techniques, including, but not limited to, machine learning, that is designed to approximate a cognitive task.

(b) There is established an Artificial Intelligence Advisory Council to engage stakeholders and experts to: (1) Study the laws and regulations of other states concerning artificial intelligence to ensure that the definitions included in, and requirements imposed by, the laws and regulations of this state concerning artificial intelligence are consistent with the laws and regulations of such other states; (2) maintain an ongoing dialogue between academia, government and industry concerning artificial intelligence; (3) make recommendations concerning the adoption of legislation to ensure that this state is a leader in artificial intelligence innovation; and (4) advise the Department of Economic and Community Development for the purpose of attracting and promoting the growth of technology businesses in this state.

(c) (1) (A) The advisory council shall be part of the Legislative

Department and consist of the following voting members: (i) One appointed by the speaker of the House of Representatives, who shall be a representative of the industries that are developing artificial intelligence; (ii) two appointed by the president pro tempore of the Senate, one of whom shall be a representative of a labor union representing public employees in this state and one of whom shall be a representative of the industries that are using artificial intelligence; (iii) one appointed by the majority leader of the House of Representatives, who shall be an academic with a concentration in the study of technology and technology policy; (iv) one appointed by the majority leader of the Senate, who shall be an academic with a concentration in the study of government and public policy; (v) one appointed by the minority leader of the House of Representatives, who shall be a representative of an industry association representing the industries that are developing artificial intelligence; (vi) one appointed by the minority leader of the Senate, who shall be a representative of an industry association representing the industries that are using artificial intelligence; (vii) one appointed by the House chairperson of the joint standing committee of the General Assembly having cognizance of matters relating to consumer protection; (viii) one appointed by the Senate chairperson of the joint standing committee of the General Assembly having cognizance of matters relating to consumer protection; (ix) two appointed by the Governor, who shall be members of the Connecticut Academy of Science and Engineering; and (x) the House and Senate chairpersons of the joint standing committee of the General Assembly having cognizance of matters relating to consumer protection.

(B) All voting members appointed pursuant to subparagraphs (A)(i) to (A)(ix), inclusive, of this subdivision shall have professional experience or academic qualifications in matters pertaining to artificial intelligence, automated systems, government policy or another related field.

(C) All initial appointments to the advisory council under subparagraphs (A)(i) to (A)(ix), inclusive, of this subdivision shall be

made not later than thirty days after the effective date of this section. Any vacancy shall be filled by the appointing authority.

(D) Any action taken by the advisory council shall be taken by a majority vote of all members present who are entitled to vote, provided no such action may be taken unless at least fifty per cent of such members are present.

(2) The advisory council shall include the following nonvoting, ex-officio members: (A) The Attorney General, or the Attorney General's designee; (B) the Comptroller, or the Comptroller's designee; (C) the Treasurer, or the Treasurer's designee; (D) the Commissioner of Administrative Services, or said commissioner's designee; (E) the Commissioner of Economic and Community Development, or said commissioner's designee; (F) the Chief Data Officer, or said officer's designee; (G) the executive director of the Freedom of Information Commission, or said executive director's designee; (H) the executive director of the Commission on Women, Children, Seniors, Equity and Opportunity, or said executive director's designee; (I) the Chief Court Administrator, or said administrator's designee; and (J) the executive director of the Connecticut Academy of Science and Engineering, or said executive director's designee.

(d) The Commissioner of Economic and Community Development, or said commissioner's designee, and the executive director of the Connecticut Academy of Science and Engineering, or said executive director's designee, shall serve as chairpersons of the advisory council. Such chairpersons shall schedule the first meeting of the advisory council, which shall be held not later than sixty days after the effective date of this section.

(e) Not later than January 1, 2025, and at least annually thereafter, the advisory council shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to consumer protection and to the Commissioner of Economic and Community Development setting forth the advisory council's

findings and recommendations.

(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 advisory council.

Sec. 17. (NEW) (*Effective October 1, 2024*) (a) A person is guilty of unlawful dissemination of a synthetic intimate image when (1) such person intentionally disseminates by electronic or other means a film, videotape or other image that (A) is not wholly recorded by a camera and is either partially or wholly generated by a computer system, and (B) includes a synthetic representation, that is virtually indistinguishable from an actual representation, (i) of the genitals, pubic area or buttocks of another person with less than a fully opaque covering of such body part, (ii) of the breast of another person who is female with less than a fully opaque covering of any portion of such breast below the top of the nipple, or (iii) of another person engaged in sexual intercourse, as defined in section 53a-193 of the general statutes, (2) such person disseminates such synthetic intimate image without the consent of such other person, and (3) such other person suffers harm as a result of such dissemination. For purposes of this subsection, "disseminate" and "harm" have the same meanings as provided in section 53a-189c of the general statutes.

(b) The provisions of subsection (a) of this section shall not apply to:

(1) Any synthetic intimate image described in subsection (a) of this section of such other person if such image resulted from voluntary exposure or engagement in sexual intercourse by such other person, in a public place, as defined in section 53a-181 of the general statutes, or in a commercial setting;

(2) Any synthetic intimate image described in subsection (a) of this section of such other person, if such other person is not clearly identifiable, unless other personally identifying information is associated with or accompanies such image;

(3) Any synthetic intimate image described in subsection (a) of this section of such other person, if the dissemination of such image serves the public interest; or

(4) The dissemination of any synthetic intimate image by a person who did not know that such other person did not consent to dissemination of such image.

(c) Unlawful dissemination of a synthetic intimate image to (1) a person by any means is a class A misdemeanor, and (2) more than one person by means of an interactive computer service, as defined in 47 USC 230, an information service, as defined in 47 USC 153, or a telecommunications service, as defined in section 16-247a of the general statutes, is a class D felony.

(d) Nothing in this section shall be construed to impose liability on the provider of an interactive computer service, as defined in 47 USC 230, an information service, as defined in 47 USC 153, or a telecommunications service, as defined in section 16-247a of the general statutes, for content provided by another person.

Sec. 18. Section 9-600 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

[This**]** Except as otherwise provided in section 19 of this act, this chapter applies to: (1) The election, and all primaries preliminary thereto, of all public officials, except presidential electors, United States senators and members in Congress, and (2) any referendum question. This chapter also applies, except for the provisions of sections 9-611 to 9-620, inclusive, to persons who are candidates in a primary for town committee members.

Sec. 19. (NEW) (*Effective July 1, 2024*) (a) As used in this section:

(1) "Artificial intelligence" means a machine-based system that (A) can, for a given set of human-defined objectives, make predictions, recommendations or decisions influencing real or virtual environments, and (B) uses machine and human-based inputs to (i) perceive real and

virtual environments, (ii) abstract such perceptions into models through analysis in an automated manner, and (iii) formulate options for information or action through model inference;

(2) "Candidate" means a human being who seeks election, or nomination for election, to any municipal, federal or state office;

(3) "Deceptive media" means an image, audio or video that (A) depicts a human being engaging in speech or conduct in which the human being did not engage, (B) a reasonable viewer or listener would incorrectly believe depicts such human being engaging in such speech or conduct, and (C) was produced, in whole or in part, by artificial intelligence;

(4) "Election" has the same meaning as provided in section 9-1 of the general statutes; and

(5) "Elector" has the same meaning as provided in section 9-1 of the general statutes.

(b) Except as provided in subsections (c) and (d) of this section, no person shall distribute, or enter into an agreement with another person to distribute, any deceptive media during the ninety-day period immediately preceding the availability of overseas ballots for an election, or any primary precedent thereto, as set forth in subsection (b) of section 9-158c of the general statutes, if:

(1) The person (A) knows such deceptive media depicts any human being engaging in speech or conduct in which such human being did not engage, and (B) in distributing such deceptive media or entering into such agreement, intends to (i) harm the reputation or electoral prospects of a candidate in the primary or election, and (ii) change the voting behavior of electors in the primary or election by deceiving such electors into incorrectly believing that the human being described in subparagraph (A) of this subdivision engaged in the speech or conduct described in said subparagraph; and

(2) It is reasonably foreseeable that the distribution will (A) harm the

reputation or electoral prospects of a candidate in the primary or election, and (B) change the voting behavior of electors in the primary or election in the manner set forth in subparagraph (B)(ii) of subdivision (1) of this subsection.

(c) A person may distribute, or enter into an agreement with another person to distribute, deceptive media during the ninety-day period set forth in subsection (b) of this section, provided:

(1) The deceptive media includes a disclaimer informing viewers or listeners, as applicable, that the media has been manipulated by technical means and depicts speech or conduct that did not occur;

(2) If the deceptive media is a video, the deceptive media includes a disclaimer that (A) appears throughout the entirety of the video, (B) is clearly visible to, and readable by, the average viewer, (C) is in letters (i) at least as large as the majority of the other text included in the video, or (ii) if there is no other text included in the video, in a size that is easily readable by the average viewer, and (D) is in the same language otherwise used in such deceptive media;

(3) If the deceptive media exclusively consists of audio, the deceptive media includes a disclaimer that is read (A) at the beginning and end of the audio, (B) in a clearly spoken manner, (C) in a pitch that can be easily heard by the average listener, and (D) if the audio is longer than two minutes in duration, interspersed within the audio at intervals that are not longer than two minutes in duration;

(4) If the deceptive media is an image, the deceptive media includes a disclaimer that (A) is clearly visible to, and readable by, the average viewer, (B) if the media contains other text, is in letters (i) at least as large as the majority of the other text included in the image, or (ii) if there is no other text included in the image, in a size that is easily readable by the average viewer, and (C) is in the same language otherwise used in such deceptive media; and

(5) If the deceptive media was generated by editing an existing image,

audio or video, the deceptive media includes a disclaimer that includes a citation directing the viewer or listener to the original source from which the unedited version of such existing image, audio or video was obtained.

(d) The provisions of this section shall not apply to any deceptive media that constitutes parody or satire.

(e) (1) Any person who violates any provision of this section shall be guilty of a class C misdemeanor, except that any violation committed not later than five years after conviction for a prior violation shall be a class D felony.

(2) Any penalty imposed under subdivision (1) of this subsection shall be in addition to any injunctive or other equitable relief ordered under subsection (f) of this section.

(f) (1) The Attorney General, a human being described in subparagraph (A) of subdivision (1) of subsection (b) of this section or a candidate for office who has been, or is likely to be, injured by the distribution of deceptive media in violation of the provisions of this section, or an organization that represents the interests of electors who have been, or are likely to be, deceived by any such distribution, may commence a civil action, in a court of competent jurisdiction, seeking to permanently enjoin any person who is alleged to have committed such violation from continuing such violation.

(2) In any civil action commenced under subdivision (1) of this subsection, the plaintiff shall bear the burden of proving, by clear and convincing evidence, that the defendant distributed deceptive media in violation of the provisions of this section.

(3) Any party, other than the Attorney General, who prevails in a civil action commenced under subdivision (1) of this subsection shall be awarded reasonable attorney's fees and costs to be taxed by the court.

Sec. 20. (*Effective from passage*) (a) As used in this section:

(1) "Artificial intelligence" means any technology, including, but not limited to, machine learning, that uses data to train an algorithm or predictive model for the purpose of enabling a computer system or service to autonomously perform any task, including, but not limited to, visual perception, language processing or speech recognition, that is normally associated with human intelligence or perception;

(2) "Generative artificial intelligence" means any form of artificial intelligence, including, but not limited to, a foundation model, that is able to produce synthetic digital content;

(3) "Machine learning" means any technique that enables a computer system or service to autonomously learn and adapt by using algorithms and statistical models to autonomously analyze and draw inferences from patterns in data; and

(4) "State agency" means any department, board, council, commission, institution or other executive branch agency of state government, including, but not limited to, each constituent unit and each public institution of higher education.

(b) Each state agency shall, in consultation with the labor unions representing the employees of the state agency, study how generative artificial intelligence may be incorporated in its processes to improve efficiencies. Each state agency shall prepare for any such incorporation with input from the state agency's employees, including, but not limited to, any applicable collective bargaining unit that represents its employees, and appropriate experts from civil society organizations, academia and industry.

(c) Not later than January 1, 2025, each state agency shall submit the results of such study to the Department of Administrative Services, including a request for approval of any potential pilot project utilizing generative artificial intelligence that the state agency intends to establish, provided such use is in accordance with the policies and procedures established by the Office of Policy and Management pursuant to subsection (b) of section 4-68jj of the general statutes. Any

such pilot project shall measure how generative artificial intelligence (1) improves Connecticut residents' experience with and access to government services, and (2) supports state agency employees in the performance of their duties in addition to any domain-specific impacts to be measured by the state agency. The Commissioner of Administrative Services shall assess any such proposed pilot project in accordance with the provisions of section 4a-2e of the general statutes, as amended by this act, and may disapprove any pilot project that fails such assessment or requires additional legislative authorization.

(d) Not later than February 1, 2025, the Commissioner of Administrative Services shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committees of the General Assembly having cognizance of matters relating to consumer protection and government administration. Such report shall include a summary of all pilot projects approved by the commissioner under this section and any recommendations for legislation necessary to implement additional pilot projects.

Sec. 21. Section 4a-2e of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

(a) For the purposes of this section:

(1) "Artificial intelligence" means (A) an artificial system that (i) performs tasks under varying and unpredictable circumstances without significant human oversight or can learn from experience and improve such performance when exposed to data sets, (ii) is developed in any context, including, but not limited to, software or physical hardware, and solves tasks requiring human-like perception, cognition, planning, learning, communication or physical action, or (iii) is designed to (I) think or act like a human, including, but not limited to, a cognitive architecture or neural network, or (II) act rationally, including, but not limited to, an intelligent software agent or embodied robot that achieves goals using perception, planning, reasoning, learning, communication, decision-making or action, or (B) a set of techniques, including, but not

limited to, machine learning, that is designed to approximate a cognitive task; **[**and**]**

(2) "Generative artificial intelligence" means any form of artificial intelligence, including, but not limited to, a foundation model, that is able to produce synthetic digital content; and

[(2)**]** (3) "State agency" has the same meaning as provided in section 4d-1.

(b) (1) Not later than December 31, 2023, and annually thereafter, the **[**Department**]** Commissioner of Administrative Services shall conduct an inventory of all systems that employ artificial intelligence and are in use by any state agency. Each such inventory shall include at least the following information for each such system:

(A) The name of such system and the vendor, if any, that provided such system;

(B) A description of the general capabilities and uses of such system;

(C) Whether such system was used to independently make, inform or materially support a conclusion, decision or judgment; and

(D) Whether such system underwent an impact assessment prior to implementation.

(2) The **[**Department**]** Commissioner of Administrative Services shall make each inventory conducted pursuant to subdivision (1) of this subsection publicly available on the state's open data portal.

(c) Beginning on February 1, 2024, the **[**Department**]** Commissioner of Administrative Services shall perform ongoing assessments of systems that employ artificial intelligence and are in use by state agencies to ensure that no such system shall result in any unlawful discrimination or disparate impact described in subparagraph (B) of subdivision (1) of subsection (b) of section 4-68jj. The **[**department**]** commissioner shall perform such assessment in accordance with the

policies and procedures established by the Office of Policy and Management pursuant to subsection (b) of section 4-68jj.

(d) The Commissioner of Administrative Services shall, in consultation with other state agencies, collective bargaining units that represent state agency employees and industry experts, develop trainings for state agency employees on (1) the use of generative artificial intelligence tools that are determined by the commissioner, pursuant to the assessment performed under subsection (c) of this section, to achieve equitable outcomes, and (2) methods for identifying and mitigating potential output inaccuracies, fabricated text, hallucinations and biases of generative artificial intelligence while respecting the privacy of the public and complying with all applicable state laws and policies. Beginning on July 1, 2025, the commissioner shall make such trainings available to state agency employees not less frequently than annually.

Sec. 22. Subsection (b) of section 4-124w of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

(b) The department head of the Office of Workforce Strategy shall be the Chief Workforce Officer, who shall be appointed by the Governor in accordance with the provisions of sections 4-5 to 4-8, inclusive, with the powers and duties therein prescribed. The Chief Workforce Officer shall be qualified by training and experience to perform the duties of the office as set forth in this section and shall have knowledge of publicly funded workforce training programs. The Chief Workforce Officer shall:

(1) Be the principal advisor for workforce development policy, strategy and coordination to the Governor;

(2) Be the lead state official for the development of employment and training strategies and initiatives;

(3) Be the chairperson of the Workforce Cabinet, which shall consist of agencies involved with employment and training, as designated by

the Governor pursuant to section 31-3m. The Workforce Cabinet shall meet at the direction of the Governor or the Chief Workforce Officer;

(4) Be the liaison between the Governor, the Governor's Workforce Council, established pursuant to section 31-3h and any local, regional, state or federal organizations and entities with respect to workforce development policy, strategy and coordination, including, but not limited to, implementation of the Workforce Innovation and Opportunity Act of 2014, P.L. 113-128, as amended from time to time;

(5) Develop, and update as necessary, a state workforce strategy in consultation with the Governor's Workforce Council and the Workforce Cabinet and subject to the approval of the Governor. The Chief Workforce Officer shall submit, in accordance with the provisions of section 11-4a, the state workforce strategy to the joint standing committees of the General Assembly having cognizance of matters relating to appropriations, commerce, education, higher education and employment advancement, and labor and public employees at least thirty days before submitting such state workforce strategy to the Governor for his or her approval;

(6) Coordinate workforce development activities (A) funded through state resources, (B) funded through funds received pursuant to the Workforce Innovation and Opportunity Act of 2014, P.L. 113-128, as amended from time to time, or (C) administered in collaboration with any state agency for the purpose of furthering the goals and outcomes of the state workforce strategy approved by the Governor pursuant to subdivision (5) of this subsection and the workforce development plan developed by the Governor's Workforce Council pursuant to the provisions of section 31-11p;

(7) Collaborate with the regional workforce development boards to adapt the best practices for workforce development established by such boards for state-wide implementation, if possible;

(8) Coordinate measurement and evaluation of outcomes across education and workforce development programs, in conjunction with

state agencies, including, but not limited to, the Labor Department, the Department of Education and the Office of Policy and Management;

(9) Notwithstanding any provision of the general statutes, review any state plan for each program set forth in Section 103(b) of the Workforce Innovation and Opportunity Act of 2014, P.L. 113-128, as amended from time to time, before such plan is submitted to the Governor;

(10) Establish methods and procedures to ensure the maximum involvement of members of the public, the legislature and local officials in workforce development policy, strategy and coordination;

(11) In conjunction with one or more state agencies enter into such contractual agreements, in accordance with established procedures and the approval of the Secretary of the Office of Policy and Management, as may be necessary to carry out the provisions of this section. The Chief Workforce Officer may enter into agreements with other state agencies for the purpose of performing the duties of the Office of Workforce Strategy, including, but not limited to, administrative, human resources, finance and information technology functions;

(12) Market and communicate the state workforce strategy to ensure maximum engagement with students, trainees, job seekers and businesses while effectively elevating the state's workforce profile nationally;

(13) For the purposes of subsection (a) of section 10-21c identify subject areas, courses, curriculum, content and programs that may be offered to students in elementary and high school in order to improve student outcomes and meet the workforce needs of the state;

(14) Issue guidance to state agencies, the Governor's Workforce Council and regional workforce development boards in furtherance of the state workforce strategy and the workforce development plan developed by the Governor's Workforce Council pursuant to the provisions of section 31-11p. Such guidance shall be approved by the Secretary of the Office of Policy and Management, allow for a reasonable

period for implementation and take effect not less than thirty days from such approval. The Chief Workforce Officer shall consult on the development and implementation of any guidance with the agency, council or board impacted by such guidance;

(15) Coordinate, in consultation with the Labor Department and regional workforce development boards to ensure compliance with state and federal laws for the purpose of furthering the service capabilities of programs offered pursuant to the Workforce Innovation and Opportunity Act, P.L. 113-128, as amended from time to time, and the United States Department of Labor's American Job Center system;

(16) Coordinate, in consultation with the Department of Social Services, with community action agencies to further the state workforce strategy; **[**and**]**

(17) In consultation with the regional workforce development boards established under section 31-3k, the Department of Economic and Community Development and other relevant state agencies, incorporate training concerning artificial intelligence, as defined in section 23 of this act, into workforce training programs offered in this state;

(18) In consultation with the Department of Economic and Community Development, the Connecticut Academy of Science and Engineering, the Commission for Educational Technology established in section 4d-80 and broadband Internet access service providers, as defined in section 16-330a, design an outreach program for the purpose of promoting access to broadband Internet access service, as defined in section 16-330a and in accordance with the state digital equity plan, in underserved communities in this state, and identify a nonprofit organization to implement and lead such outreach program under the supervision of the Chief Workforce Officer, the Department of Economic and Community Development, the Connecticut Academy of Science and Engineering and the Commission for Educational Technology; and

[(17)**]** (19) Take any other action necessary to carry out the provisions

of this section.

Sec. 23. (NEW) (*Effective July 1, 2024*) Not later than July 1, 2025, the Board of Regents for Higher Education shall establish, on behalf of Charter Oak State College and in consultation with the independent institutions of higher education in this state, a "Connecticut Citizens Academy" for the purpose of curating and offering online courses concerning artificial intelligence and the responsible use of artificial intelligence. The board shall, in consultation with Charter Oak State College, develop certificates and badges to be awarded to persons who successfully complete such courses. As used in this section, "artificial intelligence" means any technology, including, but not limited to, machine learning, that uses data to train an algorithm or predictive model for the purpose of enabling a computer system or service to autonomously perform any task, including, but not limited to, visual perception, language processing or speech recognition, that is normally associated with human intelligence or perception.

Sec. 24. (NEW) (*Effective July 1, 2024*) (a) As used in this section:

(1) "Artificial intelligence" has the same meaning as provided in section 23 of this act;

(2) "Artificial intelligence system" means any machine-based system that, for any explicit or implicit objective, infers from the inputs such system receives how to generate outputs, including, but not limited to, content, decisions, predictions or recommendations, that can influence physical or virtual environments;

(3) "General-purpose artificial intelligence model" (A) means any form of artificial intelligence system that (i) displays significant generality, (ii) is capable of competently performing a wide range of distinct tasks, and (iii) can be integrated into a variety of downstream applications or systems, and (B) does not include any artificial intelligence model that is used for development, prototyping and research activities before such model is released on the market;

(4) "Generative artificial intelligence system" means any artificial intelligence system, including, but not limited to, a general-purpose artificial intelligence model, that is able to produce or manipulate synthetic digital content;

(5) "Prompt engineering" means the process of guiding a generative artificial intelligence system to generate a desired output; and

(6) "Synthetic digital content" means any digital content, including, but not limited to, any audio, image, text or video, that is produced or manipulated by a generative artificial intelligence system.

(b) Not later than July 1, 2025, the Board of Regents for Higher Education shall establish, on behalf of the regional community-technical colleges, certificate programs in prompt engineering, artificial intelligence marketing for small businesses and artificial intelligence for small business operations.

Sec. 25. (*Effective July 1, 2024*) Not later than December 31, 2024, the Department of Economic and Community Development shall:

(1) In collaboration with The University of Connecticut and the Connecticut State Colleges and Universities, develop a plan to offer high-performance computing services to businesses and researchers in this state;

(2) In collaboration with The University of Connecticut, establish a state-wide research collaborative among health care providers to enable the development of advanced analytics, ethical and trustworthy artificial intelligence, as defined in section 23 of this act, and hands-on workforce education while using methods that protect patient privacy; and

(3) In collaboration with industry and academia, conduct a "CT AI Symposium" to foster collaboration between academia, government and industry for the purpose of promoting the establishment and growth of artificial intelligence businesses in this state.

Sec. 26. (NEW) (*Effective from passage*) The Department of Economic and Community Development shall, within available appropriations, establish and administer a competitive grant program to fund pilot studies conducted for the purpose of using artificial intelligence to reduce health inequities in this state. No grant awarded pursuant to this section shall be in an amount that exceeds twenty thousand dollars. As used in this section, "artificial intelligence" means any technology, including, but not limited to, machine learning, that uses data to train an algorithm or predictive model for the purpose of enabling a computer system or service to autonomously perform any task, including, but not limited to, visual perception, language processing or speech recognition, that is normally associated with human intelligence or perception.

Sec. 27. (NEW) (*Effective from passage*) The Department of Economic and Community Development shall, within available appropriations, establish and administer a competitive grant program to fund pilot programs established by hospitals, fire departments, schools, nonprofit providers, the Judicial Department and the Department of Correction for the purpose of clinically integrating algorithms or utilizing virtual trainings. No grant awarded pursuant to this section shall be in an amount that exceeds seventy-five thousand dollars.

Sec. 28. Subsection (a) of section 32-1c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

(a) In addition to any other powers, duties and responsibilities provided for in this chapter, chapter 131, chapter 579 and section 4-8 and subsection (a) of section 10-409, the commissioner shall have the following powers, duties and responsibilities: (1) To administer and direct the operations of the Department of Economic and Community Development; (2) to report annually to the Governor, as provided in section 4-60; (3) to conduct and administer the research and planning functions necessary to carry out the purposes of said chapters and sections; (4) to encourage and promote the development of industry and

business in the state and to investigate, study and undertake ways and means of promoting and encouraging the prosperous development and protection of the legitimate interest and welfare of Connecticut business, industry and commerce, within and outside the state; (5) to serve, ex officio as a director on the board of Connecticut Innovations, Incorporated; (6) to serve as a member of the Committee of Concern for Connecticut Jobs; (7) to promote and encourage the location and development of new business in the state as well as the maintenance and expansion of existing business and for that purpose to cooperate with state and local agencies and individuals both within and outside the state; (8) to plan and conduct a program of information and publicity designed to attract tourists, visitors and other interested persons from outside the state to this state and also to encourage and coordinate the efforts of other public and private organizations or groups of citizens to publicize the facilities and attractions of the state for the same purposes; (9) to advise and cooperate with municipalities, persons and local planning agencies within the state for the purpose of promoting coordination between the state and such municipalities as to plans and development; (10) by reallocating funding from other agency accounts or programs, to assign adequate and available staff to provide technical assistance to businesses in the state in exporting, manufacturing and cluster-based initiatives and to provide guidance and advice on regulatory matters; (11) to aid minority businesses in their development; (12) to appoint such assistants, experts, technicians and clerical staff, subject to the provisions of chapter 67, as are necessary to carry out the purposes of said chapters and sections; (13) to employ other consultants and assistants on a contract or other basis for rendering financial, technical or other assistance and advice; (14) to acquire or lease facilities located outside the state subject to the provisions of section 4b-23; (15) to advise and inform municipal officials concerning economic development and collect and disseminate information pertaining thereto, including information about federal, state and private assistance programs and services pertaining thereto; (16) to inquire into the utilization of state government resources and coordinate federal and state activities for assistance in and solution of problems of economic

development and to inform and advise the Governor about and propose legislation concerning such problems; (17) to conduct, encourage and maintain research and studies relating to industrial and commercial development; (18) to prepare and review model ordinances and charters relating to these areas; (19) to maintain an inventory of data and information and act as a clearinghouse and referral agency for information on state and federal programs and services relative to the purpose set forth herein. The inventory shall include information on all federal programs of financial assistance for defense conversion projects and other projects consistent with a defense conversion strategy and shall identify businesses which would be eligible for such assistance and provide notification to such business of such programs; (20) to conduct, encourage and maintain research and studies and advise municipal officials about forms of cooperation between public and private agencies designed to advance economic development; (21) to promote and assist the formation of municipal and other agencies appropriate to the purposes of this chapter; (22) to require notice of the submission of all applications by municipalities and any agency thereof for federal and state financial assistance for economic development programs as relate to the purposes of this chapter; (23) with the approval of the Commissioner of Administrative Services, to reimburse any employee of the department, including the commissioner, for reasonable business expenses, including but not limited to, mileage, travel, lodging, and entertainment of business prospects and other persons to the extent necessary or advisable to carry out the purposes of subdivisions (4), (7), (8) and (11) of this subsection and other provisions of this chapter; (24) to assist in resolving solid waste management issues; (25) (A) to serve as an information clearinghouse for various public and private programs available to assist businesses, and (B) to identify specific micro businesses, as defined in section 32-344, whose growth and success could benefit from state or private assistance and contact such small businesses in order to (i) identify their needs, (ii) provide information about public and private programs for meeting such needs, including, but not limited to, technical assistance, job training and financial assistance, and (iii) arrange for the provision of such assistance to such

businesses; (26) to enhance and promote the digital media and motion picture industries in the state; (27) by reallocating funding from other agency accounts or programs, to develop a marketing campaign that promotes Connecticut as a place of innovation; **[**and**]** (28) by reallocating funding from other agency accounts or programs, to execute the steps necessary to implement the knowledge corridor agreement with Massachusetts to promote the biomedical device industry; and (29) to designate an employee of the Department of Economic and Community Development to serve as the primary point of contact for economic development in the field of artificial intelligence, as defined in section 23 of this act.

Sec. 29. Subsection (a) of section 17b-245g of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

(a) As used in this section:

(1) "Telehealth" means the mode of delivering health care or other health services via information and communication technologies to facilitate the diagnosis, consultation and treatment, education, care management and self-management of a patient's physical, oral and mental health, and includes (A) interaction between the patient at the originating site and the telehealth provider at a distant site, and (B) synchronous interactions, asynchronous store and forward transfers or remote patient monitoring. "Telehealth" does not include the use of facsimile, texting or electronic mail.

(2) "Connecticut medical assistance program" means the state's Medicaid program and the Children's Health Insurance Program under Title XXI of the Social Security Act, as amended from time to time.

(3) "Remote patient monitoring" means the collection and interpretation of a patient's physiologic data that is digitally transmitted to a telehealth provider, and the treatment management services involving the use of such physiologic data by a telehealth provider to manage the patient's treatment plan.

Sec. 30. (*Effective from passage*) (a) As used in this section, "artificial intelligence" means any technology, including, but not limited to, machine learning, that uses data to train an algorithm or predictive model for the purpose of enabling a computer system or service to autonomously perform any task, including, but not limited to, visual perception, language processing or speech recognition, that is normally associated with human intelligence or perception.

(b) The Department of Public Health shall conduct a study of, and make recommendations regarding the adoption of, governance standards concerning the use of artificial intelligence by health care providers. Such study shall include, but need not be limited to, an assessment of the extent to which health care providers currently use artificial intelligence, any means available to increase such use, any risks stemming from such use and any means available to monitor the outcomes produced by artificial intelligence to ensure that such outcomes are having the desired effect on patient outcomes.

(c) Not later than January 1, 2025, the department shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committees of the General Assembly having cognizance of matters relating to consumer protection and public health. Such report shall contain the results of the study conducted, and recommendations made, pursuant to subsection (b) of this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	*October 1, 2024*	New section
Sec. 2	*October 1, 2024*	New section
Sec. 3	*October 1, 2024*	New section
Sec. 4	*October 1, 2024*	New section
Sec. 5	*October 1, 2024*	New section
Sec. 6	*October 1, 2024*	New section
Sec. 7	*October 1, 2024*	New section
Sec. 8	*October 1, 2024*	New section
Sec. 9	*October 1, 2024*	New section

Sec. 10	*October 1, 2024*	46a-51
Sec. 11	*October 1, 2024*	New section
Sec. 12	*October 1, 2024*	46a-54
Sec. 13	*October 1, 2024*	19a-490s
Sec. 14	*October 1, 2024*	46a-64b(8)
Sec. 15	*October 1, 2024*	53a-167c(c)
Sec. 16	*from passage*	New section
Sec. 17	*October 1, 2024*	New section
Sec. 18	*July 1, 2024*	9-600
Sec. 19	*July 1, 2024*	New section
Sec. 20	*from passage*	New section
Sec. 21	*July 1, 2024*	4a-2e
Sec. 22	*July 1, 2024*	4-124w(b)
Sec. 23	*July 1, 2024*	New section
Sec. 24	*July 1, 2024*	New section
Sec. 25	*July 1, 2024*	New section
Sec. 26	*from passage*	New section
Sec. 27	*from passage*	New section
Sec. 28	*July 1, 2024*	32-1c(a)
Sec. 29	*July 1, 2024*	17b-245g(a)
Sec. 30	*from passage*	New section

Statement of Legislative Commissioners:

In Section 1(1)(B)(ii), "or" was added before "on behalf of" for clarity; in Section 1(3), "or the availability" was changed to "or availability" for clarity; in Section 2(b), "also" was added before "makes available" for clarity; in Section 2(b)(2)(B)(vi), "a description of" was deleted for internal consistency; in Section 3(g), "consumers" was changed to "any consumer" for clarity; in Section 4(a)(2)(B)(iii), "what such general-purpose artificial intelligence model is designed to optimize for" was changed to "that for which such general-purpose artificial intelligence model is designed to optimize" for clarity; in Section 5(a), "an artificial intelligence system" was changed to "any artificial intelligence system" for internal consistency; in Sections 8(a)(1) and 8(a)(3), "ordinances or regulations" was changed to "law" for consistency; in Section 8(a)(5), "the consumer" was changed to "a consumer" for internal consistency; in Sections 9(c) and 9(c)(6), "an alleged violation" was changed to "a violation" and "alleged violation" was changed to "violation" for internal consistency; in Sections 11(d) and 11(d)(6), "alleged discriminatory practice" was changed to "discriminatory practice" and "alleged violation" was changed to "violation" for internal consistency; in Section 11(f)(2), "violations" was changed to "violation and failure" for internal

consistency; in Section 11(g), "or more" was changed to "and not more" for consistency; in Section 19(f)(1), "a" was added before "candidate" for clarity; in Section 21(d), "less than annually" was changed to "less frequently than annually" for clarity; in Section 22(18), "said section" was changed to "section 16-330a" for clarity; in Section 25(2), "the Department of Economic and Community Development and" was deleted for internal consistency; and in Section 28(a)(25)(A), "and" was added before "(B)" for consistency with standard drafting conventions.

GL *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 25 $	FY 26 $
Attorney General	GF - Cost	480,000	640,000
Consumer Protection, Dept.	GF - Cost	207,000	252,000
Office of Workforce Strategy	GF - Cost	100,000	100,000
State Comptroller - Fringe Benefits[1]	GF - Cost	462,000	548,000
Public Health, Dept.	GF - Cost	50,000-200,000	None
Board of Regents for Higher Education	GF - Cost	50,000	50,000
Department of Administrative Services	GF - Cost	None	Up to 25,000
Human Rights & Opportunities, Com.	GF - Potential Cost	154,000	235,000
State Comptroller - Fringe Benefits[2]	GF - Potential Cost	63,000	85,000
Resources of the General Fund	GF - Potential Revenue Gain	Minimal	Minimal
Judicial Dept. (Probation); Correction, Dept.	GF - Potential Cost	Minimal	Minimal
Department of Economic & Community Development	GF - Cost	See below	See below

Note: GF=General Fund

Municipal Impact: None

Explanation

[1]The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 41.25% of payroll in FY 25.

[2]The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 41.25% of payroll in FY 25.

The bill makes various changes regarding artificial intelligence resulting in the fiscal impacts described below.

Sections 1-9 create a regulatory structure for the artificial intelligence market and task the Office of the Attorney General (OAG) and the Department of Consumer Protection (DCP) with regulating and enforcing[3] the requirements of the bill resulting in costs to both agencies.

To meet the requirements of the bill DCP will have to hire three additional employees[4] for a salary and other expenses cost of $207,000 in FY 25[5] and $252,000 in FY 26, along with associated fringe benefits costs of $78,000 in FY 25 and $104,000 in FY 26. The additional employees are needed to regulate the market, monitor compliance, and receive and investigate complaints.

The OAG will require additional staffing to fulfill the bill's regulatory requirements related to the new and expanding field of artificial intelligence. Due to the anticipated, potential workload requirements and technical expertise, up to seven additional staff members would be necessary, including: three assistant attorneys general; two IT specialists; one program manager; and one paralegal specialist. The annualized personnel cost associated with these positions, including fringe benefits, is approximately $0.9 million.

Section 10 – 15 creates a new category of discriminatory practice and results in a potential cost of $154,000 in FY 25 and $235,000 in FY 26 to the Commission on Human Rights and Opportunities (CHRO) for two positions[6] and $63,000 in FY 25 and $85,000 in FY 26 for fringe benefits to address anticipated complaints resulting from the bill.

The bill also results in potential revenue from fines assessed by

[3]Per section 9 of the bill, violations constitute an unfair trade practice which are investigated and enforced by the OAG and DCP.
[4]The new employees consist of two special investigators and one staff attorney.
[5]FY 25 costs reflect 9 months of salary due to the bill's October 1, 2024 effective date.
[6]Positions include one Human Rights Attorney 3 with an annual salary of $93,567 and an IT Analyst 3 with an annual salary of $111,475. Also included is $30,000 for legal consultants with expertise in artificial intelligence.

CHRO. Fines can be between $3,000 and $7,000.

Section 16 establishes an Artificial Intelligence Advisory Council resulting in no fiscal impact to the state because the Council has the expertise to meet the requirements of the bill.

Sections 17 and 19 create new misdemeanors and felonies which result in a potential cost to the Department of Correction and the Judicial Department for incarceration or probation and a potential revenue gain from fines. On average, the marginal cost to the state for incarcerating an offender for the year is $3,300[7] while the average marginal cost for supervision in the community is less than $800[8] each year for adults and $1,000 each year for juveniles.

Section 20, which requires DAS, in conjunction with state agencies, to submit a report to the legislature concerning potential uses of AI results in no fiscal impact.

Section 21, which requires DAS to develop and provide training to state employees on the use AI tools and mitigate potential issues by July 1, 2025, will provide a cost of less than $25,000 beginning in FY 26. The cost has the potential to grow to less than $200,000 per year based on increased usage.

Section 22 results in an annualized cost of $137,125 by requiring the Office of Workforce Strategy (OWS) to design and implement an outreach program to promote broadband access service.

It is anticipated that OWS will require at least one full-time equivalent staff at a cost of $90,000 in salary and $37,125 in fringe costs plus an additional $10,000 in other expenses to administer and promote

[7]Inmate marginal cost is based on increased consumables (e.g., food, clothing, water, sewage, living supplies, etc.) This does not include a change in staffing costs or utility expenses because these would only be realized if a unit or facility opened.

[8]Probation marginal cost is based on services provided by private providers and only includes costs that increase with each additional participant. This does not include a cost for additional supervision by a probation officer unless a new offense is anticipated to result in enough additional offenders to require additional probation officers.

this program. There is no anticipated cost to develop the program to the extent that the various agencies noted in the underlying bill as well as the Office of Telecommunications and Broadband in the Department of Energy and Environmental Protection, unnamed in the bill, may provide expertise on broadband access services.

Section 22 also requires OWS to incorporate AI training in workforce training programs. There is no anticipated impact as OWS already collaborates their workforce development initiatives with programs that provide high-skilled technology training opportunities such as the Tech Talent Accelerator.

Section 23 requires the Board of Regents (BOR) to establish the Connecticut Citizens Academy. It is anticipated that this will result in a cost of approximately $50,000 annually, beginning in FY 26. The annual costs are: (1) Up to $25,000 for course development and formatting and (2) $25,000 for updating BOR's existing Learning Management System and overseeing course registration.

Section 24 requires BOR to establish various AI certificate programs at CT State community college. This is anticipated to result in a one-time cost, in FY 25, of less than $50,000 to create the various non-credit certificate programs, including curriculum development and IT upgrades. Additionally, Section 24 could result in an annual revenue gain to BOR due to students paying to engage in the certificate coursework beginning in FY 26. Non-credit course fees range from $40 - $200. The corresponding revenue gain would be dependent on the set fee and number of participants.

Section 25 results in a cost of $132,125 annually to the Department of Economic and Community Development (DECD) to establish a state-wide research collaborative among health care providers to develop advanced AI with ethical considerations. It is anticipated that DECD will require one full-time equivalent staff at an annualized cost of $90,000 in salary, $37,125 in fringe benefits, and $5,000 in other expenses to administer the collaborative.

This section results in an additional one-time cost of $25,000 by requiring DECD to host the "CT AI Symposium" amongst academia, government and industry to establish and promote AI businesses in this state. The actual cost will depend upon the number of participants and the location of the event.

This section also requires DECD to develop a plan to offer high-performance computing services to businesses and researchers in this state by December 1, 2024. It is anticipated that DECD can develop the plan within existing resources.

Section 26 results in a cost to DECD to administer a competitive grant program to fund pilot studies regarding using AI to reduce health inequities in the state. The bill caps each grant at $20,000 but does not limit the number of grants that may be awarded. The actual cost will therefore be dependent upon the number of grants awarded.

In order to implement this program, it is anticipated that DECD will require 1.5 full-time equivalent staff at an annualized cost of $187,156 ($132,500 in salary and $54,656 in fringe). This includes one economic development agent to administer the program and 0.5 fiscal administrative officer to process the grants.

Section 27 results in a cost to DECD to administer a competitive grant program to fund pilot programs on clinically integrating algorithms or utilizing virtual trainings. The bill caps each grant at $75,000 but does not limit the number of grants that may be awarded. The actual cost will therefore be dependent upon the number of grants awarded.

In order to implement this program, it is anticipated that DECD will require 1.5 full-time equivalent staff at an annualized cost of $187,156 ($132,500 in salary and $54,656 in fringe). This includes one economic development agent to administer the program and 0.5 fiscal administrative officer to process the grants.

Section 28 has no fiscal impact by requiring DECD to designate an employee as a point of contact for economic development in AI. The

Chief Innovation Officer (CIO) position within DECD should be able to act as point of contact in their capacity as CIO.

Section 30 results in a one-time FY 25 Department of Public Health cost estimated between $50,000 and $200,000 for a study of governance standards for the use of artificial intelligence by health care providers as the department lacks required expertise.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to employee wage increases, the number of fees and fines collected, the number of grants distributed, and inflation.

The costs associated with section 21 can grow to up to $200,000 per year based on increased usage.

The costs associated with section 24 are one-time and do not continue into the out years.

OLR Bill Analysis

sSB 2

AN ACT CONCERNING ARTIFICIAL INTELLIGENCE.

TABLE OF CONTENTS:

certain technical documentation, information, policies, and summaries; allows the attorney general or DCP commissioner to require developers disclose certain documents

§ 5 — PUBLIC DISCLOSURE REQUIREMENTS

Generally requires anyone doing business in Connecticut who deploys an AI system that interacts with consumers to ensure the AI discloses to each consumer it interacts with that the consumer is interacting with an AI system

§§ 6 & 7 — SYNTHETIC DIGITAL CONTENT

Generally requires an AI system developer or deployer that generates or manipulates synthetic digital content to provide certain labels, technical solutions, or disclosures

§ 8 — ABILITY TO COMPLY WITH STATE OR FEDERAL LAWS OR TAKE CERTAIN OTHER ACTIONS

Specifies that the bill's requirements do not restrict a developer's or deployer's ability to take certain actions (e.g., comply with federal and state law, cooperate with law enforcement, and engage in research)

§ 9 — ATTORNEY GENERAL AND DCP ENFORCEMENT

Except for the CHRO enforcement actions described above, provides the attorney general and DCP commissioner exclusive authority to enforce the AI provisions listed above; requires them to provide a one-year grace period to allow violators an opportunity to cure violations; provides certain affirmative defenses; and deems violations CUTPA violations, but does not provide a private right of action

§§ 10 & 12-15 — CHRO POWERS AND DUTIES

Authorizes CHRO to require a deployer or its third-party contractor to provide the commission any completed impact assessment, beginning July 1, 2025

§ 16 — AI ADVISORY COUNCIL

Establishes a 23-member legislative AI Advisory Council to make recommendations to the General Law Committee and DECD commissioner on certain issues concerning AI, beginning by January 1, 2025

§ 17 — UNLAWFUL DISSEMINATION OF AN INTIMATE IMAGE

Establishes a new crime of unlawful dissemination of a synthetic intimate image; makes it a class A misdemeanor if the image is disseminated to one person and a class D felony if it is disseminated to more than one through certain electronic means

§§ 18 & 19 — ELECTIONS AND DECEPTIVE AI MEDIA

Generally prohibits anyone from distributing any deceptive media before an election or primary; defines "deceptive media" as AI-produced media showing a person doing or saying something he or she did not do or say that a reasonable person would believe; provides several exemptions, including for images with disclaimers and for parodies and satires; subjects violators to criminal penalties and civil remedies

§ 20 — STATE AGENCY STUDY OF AI

Requires each state agency, in consultation with the labor unions, to study how generative AI may be incorporated in its processes to improve efficiencies; requires each agency to submit a report on the study and potential pilot projects by January 1, 2025, which the DAS commissioner must assess; requires the DAS commissioner to submit a legislative report on the pilot projects and recommendations on additional ones

§ 21 — STATE EMPLOYEE TRAINING

Requires the DAS commissioner to (1) develop training for state agency employees on how to use certain generative AI tools and methods to identify and mitigate potential issues and (2) make these trainings available to state employees at least annually, beginning July 1, 2025

§ 22 — OFFICE OF WORKFORCE STRATEGY

Requires the chief workforce officer, in consultation with others, to (1) incorporate AI into workforce training programs and (2) design an outreach program to promote broadband Internet access

§ 23 — CONNECTICUT CITIZENS ACADEMY

Requires BOR to establish a "Connecticut Citizens Academy" to offer online courses on AI and its responsible use and to award certificates and badges for completion

§ 24 — CERTIFICATE PROGRAMS

Requires BOR to establish certificate programs for certain AI-related fields

§ 25 — DECD COLLABORATIONS

Requires DECD, by December 31, 2024, in collaboration with various entities, to develop a plan to offer high-performance computing services, establish a statewide research collective, and conduct a "CT AI Symposium"

§§ 26 & 27 — PILOT STUDIES AND PROGRAMS
Requires DECD to, within available appropriations, establish and administer grant programs to fund pilot studies and programs to reduce health inequities and integrate algorithms or use virtual training

§ 28 — DECD AI POINT OF CONTACT
Requires the DECD commissioner to designate an employee as the primary point of contact for economic development in the AI field

§ 29 — REMOTE PATIENT MONITORING
Defines what remote health monitoring means as a part of telehealth services under CMAP (i.e., Medicaid and HUSKY B)

§ 30 — HEALTH CARE AI STUDY
Requires DPH to study and make recommendations on governance standards for health care providers who use AI

BACKGROUND

SUMMARY

This bill establishes a framework for regulating artificial intelligence (AI) developers and deployers. It requires them to use reasonable care to protect consumers from any known or reasonably foreseeable risks of algorithmic discrimination (i.e., risks of any unjustified differential treatment or impact that disfavors any individual or group of individuals based on certain traits, such as age, ethnicity, or religion). It deems a deployer's failure to use reasonable care a discriminatory practice, subject to Commission on Human Rights and Opportunities (CHRO) enforcement, including a fine of between $3,000 and $7,000.

Beginning July 1, 2025, the bill requires, among other things:

1. a developer to provide the deployer with a general statement describing the system's intended uses and certain documentation that describes the system, other information related to risk mitigation, and a statement summary; and

2. deployers to (a) implement a risk management policy and program before deploying high-risk AI systems and (b) complete

an impact assessment on the system before deploying or after any intentional and substantial modification of it.

The bill also generally requires each developer of a general-purpose AI model, by January 1, 2026, to create, maintain, implement, and make available certain technical documentation, information, policies, and summaries.

It generally requires (1) anyone doing business in Connecticut who deploys an AI system that interacts with consumers to ensure the AI discloses to each consumer it interacts with that the consumer is interacting with an AI system and (2) an AI system developer or deployer that generates or manipulates synthetic digital content to provide certain labels, technical solutions, or disclosures.

Besides the CHRO enforcement actions described above, the bill provides the attorney general and the Department of Consumer Protection (DCP) commissioner exclusive authority to enforce the AI provisions. It also deems violations Connecticut Unfair Trade Practices Act (CUTPA) violations, but does not provide a private right of action.

Additionally, the bill makes various other changes related to AI, including:

1. establishing a new crime of unlawful dissemination of a synthetic intimate image;

2. generally prohibiting anyone from distributing any deceptive media before an election or primary;

3. establishing an advisory council and requiring various studies, including on health care providers using AI;

4. requiring various agencies and higher education institutions to create certain trainings, certificate programs, and pilot programs.

Finally, unrelated to AI, the bill defines what remote health monitoring means as a part of telehealth services under the Connecticut

Medical Assistance Program (i.e., Medicaid and HUSKY B).

EFFECTIVE DATE: October 1, 2024, except when otherwise provided.

§§ 1-3 & 9-11 — REASONABLE CARE

Requires each developer of any AI model or system and deployer of a high-risk AI system to use reasonable care to protect consumers from any known or reasonably foreseeable risks of algorithmic discrimination; deems a deployer's failure to use reasonable care a discriminatory practice, subject to CHRO enforcement, including a fine of between $3,000 and $7,000; provides certain affirmative defenses and an opportunity to correct violations for a year

Beginning July 1, 2025, the bill requires each developer of any AI model or system and deployer of a high-risk AI system to use reasonable care to protect consumers (i.e., Connecticut residents) from any known or reasonably foreseeable risks of algorithmic discrimination. An AI system is any machine-based system that, for any explicit or implicit objective, infers from the inputs the system receives how to generate outputs, including content, decisions, predictions, or recommendations, that can influence physical or virtual environments.

Under the bill, a "developer" is any person (i.e., individual, association, corporation, limited liability company, partnership, trust, or other legal entity) doing business in this state who develops or intentionally and substantially modifies:

1. a general-purpose AI model (i.e., any form of AI system that displays significant generality, is capable of competently performing a wide range of distinct tasks, and can be integrated into a variety of downstream applications or systems, but not any AI model used for developing, prototyping, and researching activities before the model is released to the market);

2. a generative AI system (i.e., an AI system, such as a general-purpose AI model, that can produce or manipulate synthetic digital content); or

3. a high-risk AI system (i.e., any AI system specifically developed and marketed, or intentionally and substantially modified, to

make, or be a controlling factor in making, a consequential decision, which are decisions that have a material legal or similarly significant effect on a consumer's ability to get access to, or the availability, costs, or terms of, any criminal justice remedy, education enrollment or opportunity, employment or employment opportunity, essential good or service, financial or lending service, essential government service, health care service, housing, insurance, or legal service).

The bill defines "intentional and substantial modification" to mean any deliberate change made to:

1. a generative AI system, other than a change made because of learning after the system has been deployed, that (a) affects the system's compliance or (b) changes the system's purpose; or

2. a high-risk AI system that creates, or potentially creates, any new risk of algorithmic discrimination.

A "deployer" is any person doing business in this state who deploys (i.e., uses) (1) a generative AI system, or (2) a high-risk AI system.

"Algorithmic discrimination" means any condition in which an AI system materially increases the risk of any unjustified differential treatment or impact that disfavors any individual or group of individuals based on their actual or perceived age, color, disability, ethnicity, genetic information, limited English language proficiency, national origin, race, religion, reproductive health, sex, veteran status, or other classification protected under Connecticut law.

It does not include:

1. any offer, license, or use of an AI system by a developer or deployer for the sole purpose of (a) self-testing to identify, mitigate, or prevent discrimination or ensure compliance with state and federal law, or (b) expanding an applicant, customer, or participant pool to increase diversity or redress historic discrimination; or

2. any act or omission by or on behalf of a club or other establishment that is not open to the public as outlined in the federal Civil Rights Act of 1964 (42 U.S.C. § 2000a(e)).

Enforcement

Under the bill, in any enforcement action the attorney general or DCP commissioner brings after July 1, 2025, there is a rebuttable presumption that a developer or deployer used reasonable care if the developer or deployer complied with the relevant requirements under the bill (see § 9 below). For deployers, this also applies to enforcement actions brought by the Commission on Human Rights and Opportunities (CHRO).

Discriminatory Practice

Notice to CHRO. The bill requires the attorney general or DCP commissioner to notify CHRO, in a form and manner the attorney general or commissioner prescribes, each time one commences an action against a deployer for failing to use reasonable care to protect consumers from algorithmic discrimination. The notice must include the deployer's name and any other relevant information required by the attorney general or commissioner, in consultation with CHRO.

Notice of and Opportunity to Correct Violations. Under the bill, beginning July 1, 2025, it is a "discriminatory practice" under CHRO laws for a high-risk AI system deployer to fail to use reasonable care to protect any consumer from any known or reasonably foreseeable risks of algorithmic discrimination. By doing this, the bill allows individuals aggrieved by these violations, or CHRO itself, to file a complaint with CHRO alleging discrimination.

Regardless of other CHRO laws, the bill generally requires CHRO to provide a grace period to give violators an opportunity to cure a violation between July 1, 2025, and June 30, 2026. The bill requires the commission, before initiating any action for a violation of the deployer provisions, to issue a notice of violation to the deployer if it determines a cure is possible. If the deployer fails to cure the violation within 60 days after receiving notice, CHRO may bring an action to enforce.

Under the bill, by January 1, 2027, CHRO must submit a report to the General Law Committee disclosing:

1. the number of notices of violations the commission issued,
2. the nature of each violation,
3. the number of violations cured within the 60-day period, and
4. any other matters the commission deems relevant.

Violations After July 1, 2026. Beginning on July 1, 2026, CHRO may, in determining whether to give a deployer the opportunity to cure an alleged discriminatory practice, consider:

1. the number of violations,
2. the deployer's size and complexity and the nature and extent of its business,
3. the substantial likelihood of injury to the public,
4. the safety of individuals or property, and
5. whether the alleged violation was likely caused by human or technical error.

Affirmative Defenses

Under the bill, in any CHRO action for a discriminatory practice violation, it is an affirmative defense that the high-risk AI deployer implemented and maintains a program that complies with:

1. the latest version of the "Artificial Intelligence Risk Management Framework" that the National Institute of Standards and Technology publishes or another nationally or internationally recognized risk management framework for AI systems;
2. any AI risk management framework systems designated by the Banking or Insurance commissioners, if the deployer is regulated

by them; or

3. any AI risk management framework systems that the attorney general may designate.

Additionally, the deployer must also:

1. encourage the high-risk AI system users to provide feedback to the deployer;

2. discover any discriminatory practice violation (a) due to the feedback described above; (b) through adversarial testing or red-teaming, as defined or used by the National Institute of Standards and Technology; or (c) through an internal review process; and

3. within 60 days of discovering the violation, cure it and notify CHRO, in a commission-prescribed form and manner, that the violation has been cured and evidence that any harm the violation caused has been mitigated.

The deployer bears the burden of demonstrating to CHRO that the requirements for these affirmative defenses have been satisfied.

Generally, "adversarial testing" is a method for systematically evaluating a machine learning model with the intent of learning how it behaves when provided with malicious or inadvertently harmful input. A "Red Team" means a group of people authorized and organized to simulate a potential adversary's attack or exploitation capabilities against a security posture. The Red Team's objective is to improve cybersecurity by demonstrating the impacts of successful attacks and by demonstrating what works for the defenders (i.e., the Blue Team) in an operational environment.

Prohibition on Certain Concurrent Actions

The bill prohibits CHRO from taking any action against a deployer for a discriminatory practice if the attorney general or DCP commissioner has initiated an action against the deployer for failing to

use reasonable care and the violations are based on the same omission or conduct.

Fines

Under the bill, any deployer that engages in any discriminatory practice in violation of its reasonable care requirement must be fined between $3,000 and $7,000 for each violation.

§ 2 — DEVELOPERS

Generally requires, beginning July 1, 2025, that any developer making a high-risk AI system available to a deployer provide the deployer a general statement describing the system's intended uses and certain documentation that describes the system, other information related to risk mitigation, and a statement summary; allows the attorney general and DCP commissioner to inspect these documents

General Statement of Intended Uses and Other Documentation

The bill generally requires, beginning July 1, 2025, any developer offering, selling, leasing, licensing, giving, or otherwise making a high-risk AI system available to a deployer to provide the deployer a general statement describing the system's intended uses and certain documentation. The required documentation must disclose:

1. known or reasonably foreseeable limitations to the system, including risks of algorithmic discrimination arising from the intended uses;

2. the system's purpose; and

3. the system's intended benefits and uses.

The documentation must also describe:

1. the types of data used to train the system;

2. how the system was evaluated for performance and relevant information related to explainability before the system was offered, sold, leased, licensed, given, or otherwise made available to the deployer;

3. the governance measures used to cover the training datasets and

the measures used to examine the suitability of the data sources, possible biases, and appropriate mitigation;

4. the system's intended outputs;

5. the measures the developer took to mitigate any known or reasonably foreseeable risks of algorithmic discrimination that may arise from the system being deployed; and

6. a description of how an individual will use or monitor the system when the system is used to make, or is a controlling factor in making, a consequential decision.

Risk Mitigation

On and after July 1, 2025, the bill requires, among other things, a high-risk AI systems developer:

1. that offers, sells, leases, licenses, gives, or otherwise makes available to a deployer a high-risk AI system to provide the deployer, to the extent feasible, the documentation and information needed for the deployer or its third-party contractor to complete an impact assessment the bill requires (see § 3 below). The developer must provide the documentation and information to the deployer through artifacts such as model cards, dataset cards, or other impact assessments.

2. to disclose to the attorney general, DCP commissioner, and all known high-risk AI system deployers, any known or reasonably foreseeable risk of algorithmic discrimination arising from the system's intended uses within 90 days of when the developer (a) discovers through its ongoing testing and analysis that the system has been deployed and caused, or is reasonably likely to have caused, algorithmic discrimination; or (b) receives a credible report from a deployer that the system has been deployed and caused, or is reasonably likely to have caused, algorithmic discrimination.

Statement Summary

Beginning on that same date, developers must make available, in a clear and readily available way, a statement summarizing certain aspects of the high-risk AI system. They must make the summary available for public inspection on their website or in a public use case inventory. The summary statement must include:

1. the types of high-risk AI systems the developer (a) has developed or intentionally and substantially modified and (b) currently makes available to deployers; and

2. how the developer manages known or reasonably foreseeable risks of algorithmic discrimination arising from development or intentional and substantial modification of these types of high-risk AI systems described above.

The bill requires each developer to update the statement (1) as needed to ensure that the statement remains accurate, and (2) within 90 days of the developer intentionally and substantially modifying any high-risk AI system.

Trade Secrets

The bill specifies that the developer provisions above should not be construed to require a developer to disclose any trade secret or other confidential or proprietary information.

A "trade secret" is information, including a formula, pattern, compilation, program, device, method, technique, process, drawing, cost data, or customer list, that (1) derives actual or potential independent economic value from not being generally known to, and not being readily ascertainable by proper means by, other individuals who can obtain economic value from its disclosure or use, and (2) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

Disclosure

The bill allows the attorney general or DCP commissioner, beginning July 1, 2025, to require developers disclose to either of them any

statement or documentation described above if it is relevant to an investigation either of them conducts. The attorney general or commissioner may evaluate the statement or documentation to ensure compliance with these provisions. Under the bill, these documents are exempt from Freedom of Information Act (FOIA) disclosure and to the extent any information in a disclosed document includes information subject to attorney-client privilege or work product protection, the act specifies that a disclosure does not constitute a waiver of the privilege or protection.

§ 3 — DEPLOYERS

Generally requires deployers, beginning July 1, 2025, to (1) implement a risk management policy and program before deploying high-risk AI systems; (2) complete an impact assessment on the system before deploying or after any intentional and substantial modification of it; (3) review each deployed system at least annually to ensure the system is not causing algorithmic discrimination; and (4) notify the attorney general or DCP commissioner within 90 days of discovering the system caused an algorithmic discrimination

Risk Management Policy and Program

The bill requires deployers, beginning on July 1, 2025, to implement a risk management policy and program before they deploy a high-risk AI system. The policy and program must specify and incorporate the principles, processes, and personnel the deployer uses to identify, document, and eliminate any known or reasonably foreseeable risks of algorithmic discrimination. Each policy and program implemented and maintained must be reasonable, considering:

1. the same guidance, standards, and frameworks as the affirmative defenses for CHRO violations (see above);

2. the deployer's size and complexity;

3. the nature and scope of the high-risk AI system the deployer deployed, including the intended uses of the system; and

4. the sensitivity and volume of data processed in connection with the systems the deployer deployed.

The bill allows a risk management policy and program to cover

multiple high-risk AI systems deployed by the same deployer.

Impact Assessment

The bill generally requires a high-risk AI system deployer or one's third-party contractor that deploys a system on or after July 1, 2025, to (1) complete an impact assessment on the system and (2) do another assessment within 90 days after any intentional and substantial modification is made available.

Each impact assessment must include, at a minimum:

1. a statement by the deployer disclosing the system's purpose, intended use cases, and deployment context and benefits;

2. an analysis of whether the deployment of the system poses any known or reasonably foreseeable risks of algorithmic discrimination and, if so, the nature of the algorithmic discrimination and steps that have been taken to eliminate the risks;

3. a description of the (a) categories of data the system processes as inputs and (b) outputs the system produces;

4. if the deployer used data to customize the system, an overview of the categories of data the deployer used to retrain the system;

5. any metrics used to evaluate the system's performance and known limitations;

6. a description of any transparency measures taken on the system, including any measures taken to disclose to a consumer that the system is in use when it is in use; and

7. a description of the post-deployment monitoring and user safeguards provided on the system, including the oversight process the deployer established to address issues from deploying the system.

Additional Statement. In addition to the impact assessment after an intentional and substantial modification to the system, the bill requires a statement disclosing the extent to which the system was used in a manner that was consistent with, or varied from, the developer's intended uses of the system.

Single Assessment. The bill allows a single assessment to address a comparable set of systems a deployer deploys. If a deployer or its third-party contractor completes an assessment to comply with another applicable law or regulation, that assessment is deemed to satisfy the assessment requirements if the assessment is reasonably similar in scope and effect as the assessment would have been if completed under this provision.

Completed Assessments. A deployer must maintain the most recently completed assessment, any prior ones, and all records on each assessment for at least three years after the final deployment of the system.

Annual Review

The bill requires a deployer, or its third-party contractor, to review, at least annually, each system the deployer deployed to ensure the system is not causing algorithmic discrimination.

Notification

Beginning July 1, 2025, and by the time a deployer deploys a high-risk AI system to make, or be a controlling factor in making, a consequential decision concerning a consumer, the deployer must notify the consumer that the deployer has deployed a system to make, or be a controlling factor in making, the consequential decision; and provide to the consumer:

1. a statement disclosing the (a) system's purpose, and (b) nature of the consequential decision;

2. the deployer's contact information; and

3. a plain-language description of the system, which at a minimum includes a description of (a) any human components of the system and (b) how any automated components of the system are used to inform the consequential decision.

The deployer may provide a consumer this information and description in any way that is clear and readily available.

Public Inspection

The bill requires each deployer to make available, in a way that is clear and readily available for public inspection, a statement summarizing (1) the types of high-risk artificial intelligence systems that the deployer currently deploys and (2) how the deployer manages any known or reasonably foreseeable risks of algorithmic discrimination that may arise from deployment of each system. A deployer must periodically update this statement.

Notification to Attorney General or DCP of Algorithmic Discrimination

If a deployer deploys a high-risk AI system on or after July 1, 2025, and subsequently discovers the system has caused, or is reasonably likely to have caused, algorithmic discrimination against consumers, then the deployer must notify the attorney general or the DCP commissioner within 90 days of the discovery.

Trade Secrets

The bill specifies that the deployer provisions above should not be construed to require a deployer to disclose any trade secret or other confidential or proprietary information.

Disclosure

Substantially similar to the developer disclosure provision in § 2, the bill allows the attorney general or DCP commissioner, beginning July 1, 2025, to require deployers and their third-party contractors to disclose to either of them any risk management policy, impact assessment, or record if it is relevant to an investigation either of them conducts. The attorney general or commissioner may evaluate these items to ensure

compliance with these provisions. Under the bill, these documents are exempt from FOIA disclosure, and a disclosure does not constitute a waiver of the attorney-client privilege or work product protection.

§ 4 — GENERAL-PURPOSE AI MODEL DEVELOPER REQUIREMENTS

Generally requires each developer of a general-purpose AI model, by January 1, 2026, to create, maintain, implement, and make available certain technical documentation, information, policies, and summaries; allows the attorney general or DCP commissioner to require developers disclose certain documents

The bill requires each general-purpose AI model developer, by January 1, 2026, to create, maintain, implement, and make available certain technical documentation and information. It also requires these developers to (1) establish, implement, and maintain a policy regarding federal and state copyright laws and (2) create, maintain, and make publicly available a detailed summary on the content used to train the general-purpose AI model, in an attorney general-prescribed form and manner.

Technical Documentation

Each developer must create and maintain technical documentation for the AI model that includes the model's training and testing processes, the evaluation results, and at least the following information, as appropriate considering the size and risk profile of the model:

1. the tasks the model is intended to perform,
2. the type and nature of AI systems where the model can be integrated,
3. acceptable use policies for the model,
4. the date the model is released,
5. the methods by which the model is distributed,
6. the architecture and number of parameters for the model, and
7. the modality and format of inputs and outputs for the model.

The bill also requires the documentation be reviewed and revised at least annually or more frequently if needed to maintain its accuracy.

Certain Documentation and Information for Integration in AI Systems

The developer must also create, implement, maintain, and make available to deployers that intend to integrate the model into their AI systems documentation and information that allows the deployers to understand the model's capabilities and limitations and comply with its obligations under the bill. The developer must also disclose, at a minimum:

1. the technical means required for the model to be integrated into the deployers' AI systems;

2. the design specifications of, and training processes for, the model, including the model's (a) training methodologies and techniques and (b) key design choices, including the rationale and assumptions made;

3. what the model is designed to optimize and the relevance of the different parameters, as applicable; and

4. a description of the data that was used for training, testing, and validation, where applicable, including (a) the type and origin of the data; (b) curation methodologies; (c) the number of data points, their scope, and main characteristics; (d) how the data was obtained and selected; and (e) all other measures used to identify unsuitable data sources and methods used to detect identifiable biases, where applicable.

The bill also requires this documentation and information to be reviewed and revised at least annually or more frequently if needed to maintain its accuracy.

Exemption

These requirements do not apply to a developer that develops, or intentionally and substantially modifies, a general-purpose AI model on

or after January 1, 2026, if:

1. the developer releases the model under a free and open-source license, and

2. the model's parameters, including the weights and information concerning the model architecture and usage, are made publicly available unless the model is deployed as a high-risk AI system.

A developer that claims the exemption bears the burden of demonstrating its actions qualify for the exemption.

Trade Secrets

The bill specifies that its documentation requirement provision should not be construed to require a developer to disclose any trade secret or other confidential or proprietary information.

Disclosure

Substantially similar to the high-risk AI system developer and deployer disclosure provisions in § 2 and § 3, the bill allows the attorney general or DCP commissioner, beginning January 1, 2026, to require general-purpose AI model developers disclose to either of them any documentation relevant to an investigation either of them conducts. The attorney general or commissioner may evaluate the documentation to ensure compliance with these provisions and any implementing regulations. Under the bill, these documents are exempt from FOIA disclosure, and a disclosure does not constitute a waiver of the attorney-client privilege or work product protection.

Regulations

The bill allows the DCP commissioner to adopt regulations to implement these provisions.

§ 5 — PUBLIC DISCLOSURE REQUIREMENTS

Generally requires anyone doing business in Connecticut who deploys an AI system that interacts with consumers to ensure the AI discloses to each consumer it interacts with that the consumer is interacting with an AI system

The bill generally requires anyone doing business in the state,

including each deployer that deploys, offers, sells, leases, licenses, gives, or otherwise makes available, as applicable, an AI system that is intended to interact with consumers, to ensure that the AI system discloses to each consumer who interacts with the system that the consumer is interacting with an AI system.

This disclosure is not required when (1) a reasonable person would deem it obvious that he or she is interacting with an AI system or (2) the deployer did not make the AI system directly available to consumers.

§§ 6 & 7 — SYNTHETIC DIGITAL CONTENT

Generally requires an AI system developer or deployer that generates or manipulates synthetic digital content to provide certain labels, technical solutions, or disclosures

Developer Labeling and Technical Standards

The bill generally requires developers of AI systems that generate or manipulate synthetic digital content to provide certain labels and ensure their technical solutions are effective, among other things.

Under the bill, "synthetic digital content" means any digital content, including any audio, image, text, or video, that is produced or manipulated by a generative AI system.

The AI system developer must ensure the AI system outputs are marked in a machine-readable format and detectable as synthetic digital content, and the outputs are marked and distinguishable (1) by the time the consumer first interacts with, or is exposed to, the outputs and (2) in a manner that is clear to consumers and respects any applicable accessibility requirements. As technically feasible and as reflected in any relevant technical standards, the developer must ensure its technical solutions are effective, interoperable, robust, and reliable, considering the specificities and limitations of the different types of synthetic digital content, the implementation costs, and the generally acknowledged state-of-the-art.

These requirements do not apply to the extent that any AI system:

1. performs an assistive function for standard editing;

2. does not substantially alter the deployer's provided input data or its semantics; or

3. is used to detect, prevent, investigate, or prosecute any crime when authorized by law.

Deployer Disclosures

The bill generally requires an AI system deployer, including a general-purpose AI model deployer, that generates or manipulates any synthetic digital content to disclose to the consumer that the content has been artificially generated or manipulated. The disclosure must be (1) by the time the consumer interacts with, or is exposed to, the content and (2) in a manner that is clear to, and distinguishable by, consumers and respects any applicable accessibility requirements.

Exemptions. For synthetic digital content that is in an audio, image, or video format and is part of an evidently artistic, creative, satirical, fictional analogous work or program, the required disclosure may be limited to a disclosure that does not hamper the display or enjoyment of the work or program.

For synthetic digital content that is in the form of text published to inform the public on any matter of public interest, no disclosure is required if (1) the content has gone through a process of human review or editorial control and (2) a person holds editorial responsibility for publishing the content.

The disclosure requirements also do not apply to the extent any AI system is used to detect, prevent, investigate, or prosecute any crime when authorized by law.

§ 8 — ABILITY TO COMPLY WITH STATE OR FEDERAL LAWS OR TAKE CERTAIN OTHER ACTIONS

Specifies that the bill's requirements do not restrict a developer's or deployer's ability to take certain actions (e.g., comply with federal and state law, cooperate with law enforcement, and engage in research)

The bill specifies that nothing in its provisions should be construed to restrict a developer's or deployer's ability to:

1. comply with federal, state, or municipal ordinances or regulations, or a civil, criminal, or regulatory inquiry, investigation, subpoena, or summons by federal, state, municipal, or other governmental authorities;

2. cooperate with law enforcement agencies concerning conduct or activity that the developer or deployer reasonably and in good faith believes may violate federal, state, or municipal ordinances or regulations;

3. investigate, establish, exercise, prepare for, or defend legal claims;

4. take immediate steps to protect an interest that is essential for the life or physical safety of the consumer or a person;

5. prevent, detect, protect against, or respond to security incidents, identity theft, fraud, harassment, malicious or deceptive activities, or any illegal activity; preserve the integrity or security of systems; or investigate, report, or prosecute those responsible for these actions;

6. engage in public- or peer-reviewed scientific or statistical research in the public interest that follows applicable ethics and privacy laws and is approved, monitored, and governed by an institutional review board or similar independent oversight entity that determines (a) that the research's expected benefits outweigh the privacy risk and (b) if the developer or deployer has implemented reasonable safeguards to mitigate risks associated with the research;

7. conduct any research, testing, and development activities on any AI system or model, other than testing under real world conditions, before the system or model is placed on the market or put into service; or

8. assist another developer or deployer with any obligations imposed under the bill.

The bill specifies that the obligations imposed on developers or deployers do not:

1. restrict their ability to (a) effectuate a product recall or (b) identify and repair technical errors that impair existing or intended functionality or

2. apply where compliance by the developer or deployer would violate an evidentiary privilege under state law.

The bill states that its provisions are not to be construed to impose an obligation on a developer or deployer that adversely affects the rights and freedoms of any person, including his or her rights to free speech or freedom of the press guaranteed under the First Amendment of the U.S. Constitution or rights under the state law protecting news media from compelled disclosure of information (CGS § 52-146t).

The bill exempts from its requirements any developer or deployer who develops, deploys, or intentionally and substantially modifies an AI system (1) that has been approved by the federal Food and Drug Administration and (2) in accordance with all applicable federal laws, regulations, rules, and procedures concerning the AI system.

Under the bill, if a developer or deployer engages in an exempted action, it bears the burden of demonstrating that the action qualifies for the exemption.

§ 9 — ATTORNEY GENERAL AND DCP ENFORCEMENT

Except for the CHRO enforcement actions described above, provides the attorney general and DCP commissioner exclusive authority to enforce the AI provisions listed above; requires them to provide a one-year grace period to allow violators an opportunity to cure violations; provides certain affirmative defenses; and deems violations CUTPA violations, but does not provide a private right of action

Under the bill, except for the CHRO enforcement actions described above, the attorney general and DCP commissioner have exclusive authority to enforce the AI provisions above.

Substantially similar to the provision above for deployers who violate the CHRO laws, but also applying to developers, the bill establishes a

grace period from July 1, 2025, to June 30, 2026, during which the attorney general or DCP commissioner must give violators an opportunity to cure any violations. Beginning July 1, 2026, the bill gives the attorney general or DCP commissioner discretion over whether to provide an opportunity to correct an alleged violation.

The bill specifies that none of its provisions should be construed as providing the basis for, or be subject to, a private right of action for violations under the act or any other law.

Under the bill, any violation of the bill's requirements is a CUTPA violation, but CUTPA's private right of action and class action provisions do not apply to the violation.

Violations and Affirmative Defenses

The bill provides the same requirements and procedures to the attorney general and DCP commissioner as it did to CHRO, including providing an opportunity to cure violations for a year, submitting a report to the General Law Committee on certain statistics, and providing the same affirmative defenses.

§§ 10 & 12-15 — CHRO POWERS AND DUTIES

Authorizes CHRO to require a deployer or its third-party contractor to provide the commission any completed impact assessment, beginning July 1, 2025

Under the bill, CHRO has the power and duty to, beginning July 1, 2025, require a deployer or its third-party contractor to provide the commission any completed impact assessment. They must provide the assessment to CHRO in a manner the commission prescribes and within seven days after the request. The assessment is exempt from FOIA disclosure. To the extent the impact assessment includes any information subject to attorney-client privilege or work product protection, the disclosure is not considered a waiver of this privilege or protection.

The bill specifies that it does not require a deployer or its third-party contractor to disclose any trade secret or other confidential or proprietary information.

§ 16 — AI ADVISORY COUNCIL

Establishes a 23-member legislative AI Advisory Council to make recommendations to the General Law Committee and DECD commissioner on certain issues concerning AI, beginning by January 1, 2025

The bill establishes a 23-member legislative AI Advisory Council to make recommendations to the General Law Committee and the Department of Economic and Community Development (DECD) commissioner on certain issues concerning AI. The advisory council is part of the legislative branch and must engage stakeholders and experts to:

1. study other states' laws and regulations on AI to ensure the definitions included in, and the requirements imposed by, Connecticut law and regulations on AI are consistent with other states;

2. maintain an ongoing dialogue between academia, government, and industry concerning AI;

3. make recommendations on adopting legislation to ensure Connecticut is a leader in AI innovation; and

4. advise DECD in attracting and promoting the growth of technology businesses in the state.

For the purposes of the council, "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 datasets;

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, such as by using a cognitive architecture or neural network, or (b) act rationally, such as by using an intelligent software agent or embodied robot that achieves goals using perception, planning, reasoning, learning, communication, decision-making, or action.

Voting Members

Under the bill, the advisory council has membership similar to the AI Working Group established in PA 23-16. The advisory council's voting members consist of the General Law Committee chairpersons and the members with qualifications listed below. In addition, all voting members must have professional experience or academic qualifications in AI, automated systems, government policy, or another related field.

Table: Advisory Council Voting Member Appointment and Qualifications

Appointing Authority	*Member Qualifications*
House speaker	Representative of industries developing AI
Senate president pro tempore (two appointments)	Representative of a state employee labor union 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 appointments)	Two Connecticut Academy of Science and Engineering (CASE) members

The bill requires appointing authorities to make initial appointments within 30 days after the bill's passage and fill any vacancies. Any advisory council 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 advisory council also includes the following 10 nonvoting ex-officio members, or their designees:

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

Chairpersons and Meetings

The bill makes the DECD commissioner or his designee, and the CASE executive director or her designee, the advisory council's chairpersons. They must schedule the group's first meeting, to be held within 60 days after the bill's passage.

The act requires the General Law Committee's administrative staff to serve as the advisory council's administrative staff.

Report

The bill requires the advisory council to submit a report on its findings and recommendations to the General Law Committee and DECD commissioner by January 1, 2025, and at least annually thereafter.

EFFECTIVE DATE: Upon passage

§ 17 — UNLAWFUL DISSEMINATION OF AN INTIMATE IMAGE

Establishes a new crime of unlawful dissemination of a synthetic intimate image; makes it a class A misdemeanor if the image is disseminated to one person and a class D felony if it is disseminated to more than one through certain electronic means

The bill establishes a new crime of unlawful dissemination of a synthetic intimate image that is similar to the existing crime of unlawful dissemination of an intimate image. A person is guilty of this crime when the person intentionally disseminates, by electronic or other means, a film, videotape, or other image that is not wholly recorded by a camera and is either partially or wholly generated by a computer system, and:

1. the image includes a synthetic representation, that is virtually indistinguishable from an actual representation, of (a) certain body parts of another person (i.e., genitals, pubic area, or buttocks; or female breasts below the top of the nipple) without a fully opaque covering or (b) another person engaged in sexual intercourse;

2. the person disseminates the synthetic intimate image without the other person's consent; and

3. the other person suffers harm because of the dissemination.

As under existing law, "harm" includes subjecting the other person to hatred, contempt, ridicule, physical or financial injury, psychological harm, or serious emotional distress.

Exemptions

The bill does not apply to disseminating an image if:

1. it serves the public interest,

2. the person voluntarily (a) exposed himself or herself or (b) engaged in sexual intercourse in a public place (a public or privately owned area used or held out for use by the public) or commercial setting, or

3. the person is not clearly identifiable.

It also does not apply to a person who did not know the other person did not consent to the dissemination of the image.

Penalties

The bill makes unlawful dissemination of a synthetic intimate image to (1) a single person a class A misdemeanor (punishable by up to 364 days imprisonment, up to a $2,000 fine, or both) and (2) more than one person by means of an interactive computer service, information service, or telecommunications service a class D felony (punishable by up to five years imprisonment, up to a $5,000 fine, or both).

Liability

The bill specifies that it does not impose liability on certain service providers for content provided by another. This applies to interactive computer services, such as Internet access services; information services, such as electronic publishing; and telecommunications services.

Background — Definitions

"Interactive computer service" means any information service, system, or access software provider that provides or enables computer access by multiple users to a computer server, including a service or system that provides access to the Internet, and the systems libraries or educational institutions operate or offer services for (47 U.S.C. § 230).

"Information service" means the offering of a capability for generating, acquiring, storing, transforming, processing, retrieving, utilizing, or making available information via telecommunications, and includes electronic publishing, but excludes any use of any such capability for managing, controlling, or operating a telecommunications system or managing a telecommunications service (47 U.S.C. § 153).

"Telecommunications service" means any transmission in one or more geographic areas (1) between or among points the user specifies; (2) of information of the user's choosing; (3) without change in the

information's form or content as sent and received; (4) by electromagnetic transmission means, including fiber optics, microwave, and satellite; (5) with or without benefit of any closed transmission medium; and (6) including all instrumentalities, facilities, apparatus, and services, except customer premises equipment, which are used for collecting, storing, forwarding, switching, and delivering such information and are essential to the transmission (CGS § 16-247a).

§§ 18 & 19 — ELECTIONS AND DECEPTIVE AI MEDIA

Generally prohibits anyone from distributing any deceptive media before an election or primary; defines "deceptive media" as AI-produced media showing a person doing or saying something he or she did not do or say that a reasonable person would believe; provides several exemptions, including for images with disclaimers and for parodies and satires; subjects violators to criminal penalties and civil remedies

Prohibition

The bill generally prohibits anyone from distributing or entering into an agreement with another person to distribute any deceptive media in the 90 days before the availability of overseas ballots for an election or primary under certain conditions. "Deceptive media" means an image, audio, or video that (1) depicts a human being engaging in speech or conduct in which the human being did not engage; (2) a reasonable viewer or listener would incorrectly believe depicts the human being engaging in the speech or conduct; and (3) was produced, in whole or in part, by AI. (The prohibition appears to apply to any election (any electors' meeting where electors choose public officials through voting tabulators or paper ballots) but ties the prohibition to when overseas ballots are available for federal elections. It is unclear when the prohibition would begin for other elections.)

For this provision, "AI" means a machine-based system that (1) can, for a given set of human-defined objectives, make predictions, recommendations, or decisions influencing real or virtual environments and (2) uses machine- and human-based inputs to (a) perceive real and virtual environments, (b) abstract the perceptions into models through an automated analysis, and (c) formulate options for information or action through model inference.

Under the bill, in order for the prohibition to apply, the person must (1) know the deceptive media depicts any human being doing or saying something that the human being did not do or say, and (2) in distributing the deceptive media or entering into the agreement to do so, intend to (a) harm the candidate's reputation or electoral prospects in the primary or election, and (b) change the electors' voting behaviors by deceiving them into incorrectly believing that the human being did or said what was shown. Additionally, it must be reasonably foreseeable that the distribution would cause this harm or change the electors' behavior.

Exemptions

The bill allows a person to distribute, or enter into an agreement with another person to distribute, deceptive media during this 90-day period under other conditions. A person may do so if the deceptive media includes a disclaimer informing viewers or listeners, as applicable, that the media has been manipulated by technical means and shows speech or conduct that did not occur. The disclaimer must take different forms depending on the media type. If it is:

1. a video, then the disclaimer must (a) appear throughout the entire video; (b) be clearly visible to, and readable by, the average viewer; (c) be in letters at least as large as the majority of the other text in the video, or if there is no other text, in a size that an average viewer can easily read; and (d) be in the same language used in the deceptive media.

2. exclusively audio, the disclaimer must be (a) read at the beginning and end of the audio, (b) clearly spoken and in a pitch that an average listener can easily hear, and (c) interspersed within the audio at maximum intervals of two minutes if the audio is longer than two minutes in duration.

3. an image, the disclaimer must have the same readability, text size, and language requirements as a video (see above).

4. generated by editing an existing image, audio, or video, the

disclaimer must include a citation directing the viewer or listener to the original source, where an unedited version may be found.

The bill specifies that the prohibition does not apply to any deceptive media that is considered a parody or satire.

Penalties

Criminal. Under the bill, violators of these election provisions are guilty of a class C misdemeanor (punishable by up to three months imprisonment, up to a $500 fine, or both). But a violation committed within five years of a prior conviction is a class D felony (punishable by up to five years imprisonment, up to a $5,000 fine, or both). These criminal penalties are in addition to any injunctive or equitable relief the bill provides below.

Civil. The bill allows the attorney general, the human being deceptively depicted, the candidate, or an organization representing the electors' interests to start a civil action in a court with jurisdiction to seek to permanently enjoin anyone who is alleged to have committed a violation from continuing the violation. The candidate for office must have been, or be likely to be, injured by the deceptive media distribution, while the electors must have been, or be likely to be, deceived by the distribution.

Under the bill, in these civil actions, the plaintiff bears the burden of proving, by clear and convincing evidence, that the defendant distributed deceptive media in violation of these provisions. Besides the attorney general, the bill allows any other party who prevails in these civil proceedings to be awarded reasonable attorney's fees and costs to be taxed by the court.

EFFECTIVE DATE: July 1, 2024

§ 20 — STATE AGENCY STUDY OF AI

Requires each state agency, in consultation with the labor unions, to study how generative AI may be incorporated in its processes to improve efficiencies; requires each agency to submit a report on the study and potential pilot projects by January 1, 2025, which the DAS commissioner must assess; requires the DAS commissioner to submit a legislative report on the pilot projects and recommendations on additional ones

The bill requires each state agency, in consultation with the labor unions representing that agency's employees, to study how generative AI may be incorporated in its processes to improve efficiencies. Each agency must prepare for these incorporations with input from its employees, including any applicable collective bargaining unit, and appropriate experts from civil society organizations, academia, and industry.

By January 1, 2025, each agency must submit the study results to DAS, including a request for approval of any potential pilot project using generative AI the agency intends to establish, provided the use follows the OPM-established AI policies and procedures. Any pilot project must measure how generative AI (1) improves Connecticut residents' experience with and access to government services and (2) supports agency employees in performing their duties in addition to any domain-specific impacts the agency measures. The DAS commissioner (1) must assess these proposals and ensure they will not result in any unlawful discrimination or disparate impact and (2) may disapprove any pilot that fails the assessment or requires additional legislative authorization.

By February 1, 2025, the DAS commissioner must submit a report to the General Law and Government Administration and Elections committees with a summary of all approved pilot projects and any recommendations for legislation needed to implement additional ones.

For this study, AI means any technology including machine learning that uses data to train an algorithm or predictive model to enable a computer system or service to autonomously perform any task, including visual perception, language processing, or speech recognition, that is normally associated with human intelligence or perception. A state agency is any executive branch department, board, council, commission, or institution, including each public institution of higher learning and each constituent unit.

EFFECTIVE DATE: Upon passage

§ 21 — STATE EMPLOYEE TRAINING

Requires the DAS commissioner to (1) develop training for state agency employees on how to use certain generative AI tools and methods to identify and mitigate potential issues and (2) make these trainings available to state employees at least annually, beginning July 1, 2025

Existing law 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. For this provision, the "AI" definition is the same as the one the advisory council uses (see § 16 above).

The bill requires the DAS commissioner, in consultation with other state agencies, state employee collective bargaining units, and industry experts, to develop training for state agency employees. The training must be on (1) the use of generative AI tools that the commissioner determines, based on the assessment above, achieve equitable outcomes, and (2) methods for identifying and mitigating potential output inaccuracies, fabricated text, hallucinations, and biases of generative AI while respecting the public's privacy and complying with all applicable state laws and policies. Under the bill, generative AI is any form of AI, including a foundation model, that can produce synthetic digital content.

The bill requires the commissioner to make these trainings available to state agency employees at least annually, beginning July 1, 2025.

EFFECTIVE DATE: July 1, 2024

§ 22 — OFFICE OF WORKFORCE STRATEGY

Requires the chief workforce officer, in consultation with others, to (1) incorporate AI into workforce training programs and (2) design an outreach program to promote broadband Internet access

By law, the Office of Workforce Strategy is led by the chief workforce officer, who is the principal advisor to the governor on workforce development policy, strategy, and coordination. The chief workforce officer must also have knowledge of publicly funded workforce training programs and possess the training and experience to perform certain

statutory duties. The bill adds the following to her duties:

1. incorporate AI training into workforce training programs offered in Connecticut, in consultation with the regional workforce development boards, DECD, and other relevant state agencies; and

2. consult with DECD, the Connecticut Academy of Science and Engineering, the DAS educational technology commission, and broadband Internet access service providers to (a) design an outreach program to promote broadband Internet access following the state digital equity plan in underserved communities in the state and (b) identify a nonprofit organization to implement and lead the program.

Under the bill, the nonprofit organization must lead the program under the supervision of the chief workforce officer, DECD, the academy, and the commission.

The state digital equity plan is an educational technology commission plan to ensure access to affordable Internet and devices and the skills and support to use digital tools in ways that improve residents' lives.

EFFECTIVE DATE: July 1, 2024

§ 23 — CONNECTICUT CITIZENS ACADEMY

Requires BOR to establish a "Connecticut Citizens Academy" to offer online courses on AI and its responsible use and to award certificates and badges for completion

The bill requires the Board of Regents (BOR) to establish, by July 1, 2025, and on behalf of Charter Oak State College and in consultation with Connecticut independent institutions of higher education, a "Connecticut Citizens Academy" to curate and offer online courses on AI and its responsible use. BOR must, in consultation with Charter Oak State College, develop certificates and badges to be awarded to individuals who successfully complete the courses. For this provision, the "AI" definition is the same as the one the state agency study uses (see § 20 above).

EFFECTIVE DATE: July 1, 2024

§ 24 — CERTIFICATE PROGRAMS

Requires BOR to establish certificate programs for certain AI-related fields

The bill requires BOR to establish, on behalf of the regional community-technical colleges, certificate programs in prompt engineering (i.e., the process of guiding a generative AI system to generate a desired output), AI marketing for small businesses, and AI for small business operations. For this provision, the "AI" definition is the same as the one the state agency study uses (see § 20 above).

EFFECTIVE DATE: July 1, 2024

§ 25 — DECD COLLABORATIONS

Requires DECD, by December 31, 2024, in collaboration with various entities, to develop a plan to offer high-performance computing services, establish a statewide research collective, and conduct a "CT AI Symposium"

The bill requires DECD, by December 31, 2024, to collaborate with:

1. UConn and the Connecticut state colleges and universities, to develop a plan to offer high-performance computing services to Connecticut businesses and researchers;

2. UConn, to establish a statewide research collaborative among health care providers to enable the development of advanced analytics, ethical and trustworthy AI, and hands-on workforce education while using methods that protect patient privacy; and

3. industry and academia, to conduct a "CT AI Symposium" to foster collaboration between academia, government, and industry for the purpose of promoting the establishment and growth of AI businesses in the state.

EFFECTIVE DATE: July 1, 2024

§§ 26 & 27 — PILOT STUDIES AND PROGRAMS

Requires DECD to, within available appropriations, establish and administer grant programs to fund pilot studies and programs to reduce health inequities and integrate algorithms or use virtual training

The bill requires DECD to, within available appropriations, establish and administer a competitive grant program to fund pilot:

1. studies for using AI to reduce health inequities in the state, up to $20,000 per grant; and

2. programs that hospitals, fire departments, schools, nonprofit providers, the judicial branch, and the Department of Correction establish for clinically integrating algorithms or using virtual training, up to $75,000 per grant.

For the pilot studies, the "AI" definition is the same as the one the state agency study uses (see § 20 above).

EFFECTIVE DATE: Upon passage

§ 28 — DECD AI POINT OF CONTACT

Requires the DECD commissioner to designate an employee as the primary point of contact for economic development in the AI field

The bill requires the DECD commissioner to designate a department employee to serve as the primary point of contact for economic development in the AI field.

EFFECTIVE DATE: July 1, 2024

§ 29 — REMOTE PATIENT MONITORING

Defines what remote health monitoring means as a part of telehealth services under CMAP (i.e., Medicaid and HUSKY B)

Under existing law for Connecticut Medical Assistance Program ("CMAP," i.e., Medicaid and HUSKY B) telehealth services, telehealth includes, among other things, remote health monitoring.

The bill defines "remote health monitoring" for these purposes to mean the collecting and interpreting of a patient's physiologic data that is digitally transmitted to a telehealth provider, and the treatment management services involving the provider using the data to manage the patient's treatment plan.

EFFECTIVE DATE: July 1, 2024

§ 30 — HEALTH CARE AI STUDY

Requires DPH to study and make recommendations on governance standards for health care providers who use AI

The bill requires the Department of Public Health (DPH) to study and make recommendations on adopting governance standards for health care providers who use AI. The study must assess the extent to which health care providers currently use AI, approaches to increase use, any risks stemming from the use, and any methods available to monitor AI-produced outcomes to ensure the outcomes have the desired effects on patient outcomes. For this provision, the "AI" definition is the same as the one the state agency study uses (see § 20 above).

By January 1, 2025, DPH must submit the study's results and any recommendations to the General Law and Public Health committees.

EFFECTIVE DATE: Upon passage

BACKGROUND

CUTPA

By law, CUTPA prohibits businesses from engaging in unfair and deceptive acts or practices. It allows the DCP commissioner to issue regulations defining an unfair trade practice, investigate complaints, issue cease and desist orders, order restitution in cases involving less than $10,000, enter into consent agreements, ask the attorney general to seek injunctive relief, and accept voluntary statements of compliance. It also allows individuals to sue. Courts may issue restraining orders; award actual and punitive damages, costs, and reasonable attorney's fees; and impose civil penalties of up to $5,000 for willful violations and up to $25,000 for a restraining order violation.

Related Bills

sHB 5198 (File 124), favorably reported by the Public Health Committee, among other things authorizes the Department of Social Services commissioner, to the extent allowed under federal law, to enable CMAP to cover applicable services provided through audio-only telehealth services.

sHB 5236, § 25, (File 103) favorably reported by the General Law Committee, among other things allows DCP to impose a civil penalty of up to $5,000 for CUTPA violations, after an administrative hearing.

sHB 5450, favorably reported by the Government Administration and Elections Committee, makes it a crime for a person to (1) distribute a communication with deceptive synthetic media or (2) enter into an agreement to distribute it.

COMMITTEE ACTION

General Law Committee

Joint Favorable Substitute
Yea 22 Nay 0 (03/12/2024)