

General Law Committee

JOINT FAVORABLE REPORT

Bill No.: SB-2

Title: AN ACT CONCERNING ARTIFICIAL INTELLIGENCE.

Vote Date: 3/12/2024

Vote Action: Joint Favorable Substitute

PH Date: 2/29/2024

File No.: 188

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General Law Committee

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Sen. Christine Cohen, 12th Dist.
Rep. Tom Delnicki, 14th Dist.
Rep. Christine Palm, 36th Dist.
Rep. Marcus Brown, 127th Dist.

REASONS FOR BILL:

S.B. 2 introduces comprehensive measures aimed at governing the development and implementation of Artificial Intelligence (AI) systems. Effective from July 1, 2025, deployers of AI systems are obligated to provide clear and accessible information to consumers, including disclosures about high-risk AI systems and strategies to mitigate algorithmic discrimination risks. In case of AI systems causing or likely to cause discrimination, deployers must notify the Attorney General within ninety (90) days. Developers are mandated to exercise due diligence in safeguarding consumers against risks associated with generative AI systems,

ensuring compliance with laws concerning intellectual property and mitigating potential harm through data governance measures.

Moreover, S.B. 2 mandates impact assessments for generative AI systems, evaluating their intended purposes, potential benefits, and risks to individuals' health, safety, and rights. Disclosure requirements for consumers interacting with AI systems are established, with exemptions granted for compliance with existing regulations and cooperation with law enforcement. Enforcement authority is vested in the Attorney General, who can issue notices of violation and provide opportunities for remedy, while developers and deployers can assert affirmative defenses by implementing compliant risk management programs and promptly addressing violations.

Additionally, S.B. 2 authorizes and encourages state institutions of higher education to develop AI trainings and curricula to help bolster and develop Connecticut's workforce and digital literacy skills. Therefore, S.B. 2 calls for the establishment of the Connecticut AI Academy, which is a foundational function of the bill, ensuring new educational opportunities around the state to instruct young people and adult learners about the importance of learning AI skills and employing AI tools in an ethical, equitable manner. Finally, S.B. 2 concludes by defining the scope of "artificial intelligence" within the regulatory framework, consolidating the provisions aimed at bringing about responsible AI development and deployment in the state.

SUBSTITUTE LANGUAGE:

The proposed substitute language addresses several identified issues from both the committee screening and public hearing processes, enhancing definitions to prevent potential legal ambiguities and refining newer statutes to broaden compliance. Furthermore, due to concerns about digital equity, inclusivity, and accessibility, new sections were added outlining greater safeguards for civil rights and marginalized communities who encounter algorithmic discrimination. Furthermore, the substitute language includes additional provisions empowering various administrative agencies, such as the Department of Consumer Protection, Department of Economic & Community Development, and the Office of the Attorney General, to help promote, enforce, and balance technological innovation with ethical and minimally restrictive regulations. Finally, substitute language was provided to sections concerning the AI Advisory Council's membership, which the committee added due to public feedback requesting greater labor representation on the council.

RESPONSE FROM ADMINISTRATION/AGENCY:

Bryan Cafferelli, Commissioner, Department of Consumer Protection (DCP):

The Department of Consumer Protection (DCP) expresses gratitude to the committee for advancing important legislation regarding AI. The DCP supports S.B. 2's goals, recognizing the expanding use of AI in industries affecting Connecticut consumers. While acknowledging AI's significance in business development, the DCP emphasizes the necessity of clear guidelines to safeguard residents from potentially harmful and invasive AI applications. The DCP expresses readiness to collaborate further with the committee and the Office of the Attorney General to ensure effective administration of the proposed legislation.

Colleen Murphy, Executive Director, FOI Commission

While Colleen Murphy acknowledges the importance of S.B. 2, her and the FOI Commission object to S.B. 2 because of its failure to "prioritize the public's ability to access crucial information regarding AI systems tasked with making high-stakes decisions." Furthermore, despite agreeing that S.B. 2 would function well theoretically, she is concerned with the practicality of S.B. 2, as the bill lacks language specifying where documentation related to AI must be uploaded for public review. She recommends amendments to prioritize AI transparency for the public and asks that the committee leverage existing data infrastructure on the CT Open Data Portal to "ensure that [the] information can be easily accessible in a single location."

Daniel O'Keefe, Commissioner, Department of Economic and Community Development (DECD):

Daniel O'Keefe supports S.B. 2 and advocates for the importance of AI in transforming the technology economy and emphasizes the need for Connecticut to align its AI regulations with those of other states or federal policies to remain competitive. O'Keefe also suggests leveraging existing nondiscrimination laws rather than imposing novel regulatory requirements specific to CT, indicating support for a regulatory approach that balances innovation with consumer protection. Additionally, O'Keefe discusses initiatives outlined in Section 17 of the bill, expressing support for collaboration on confidential computing clusters and the organization of the "CT AI Symposium" to foster collaboration in the AI sector.

Deborah Del Prete Sullivan, Legal Counsel, Director, Office of Chief Public Defender:

The Office of Chief Public Defender opposes Section 9 of S.B. 2 due to concerns with its language. Their concerns include conflicts with existing criminal statutes and jury instructions, vagueness regarding consent when sharing images found on social media, implications for free speech under the 1st Amendment, and the need for clarity on intent and knowledge regarding dissemination of synthetic images. They suggest adding language to address these concerns and offer to discuss further.

Dr. Kelli-Marie Vallieres, Chief Workforce Officer, Office of Workforce Strategy

Dr. Kelli-Marie Vallieres submitted a neutral testimony with recommendations to the committee regarding S.B. 2's changes to the general statutes, specifically Section 16 of CGS 4-124w. Dr. Vallieres recommends that "any language that is implemented be a standalone provision in" S.B. 2, and that certain language be clarified and strengthened due to its current broad, unclear parameters. Dr. Vallieres believes that S.B. 2's present language will lead to challenges for existing state and federal workforce programs, limiting staffing, outreach, and digital equity services.

Stephanie Thomas, Secretary of the State, State of Connecticut:

Stephanie Thomas is in support of S.B. 2. Thomas commends the committee for addressing this issue, noting Connecticut's leadership in this area. Thomas expresses gratitude for the opportunity to provide input but raises some concerns about the current version of the bill. Concerns include the need for clearer language regarding the timing of election-related restrictions and the scope of AI-related threats, such as deepfake technology impacting voter behavior through misinformation on various platforms. Thomas suggests amendments to broaden the bill's scope to cover all aspects of elections, including infrastructure protection and voter list security. Thomas emphasizes the importance of collaboration to safeguard democracy in the face of emerging technological challenges.

Sean Scanlon, State Comptroller, Office of the State Comptroller:

Sean Scanlon supports S.B. 2 and advocates for integrating AI into state agencies for efficiency and cost-saving measures. Scanlon acknowledges AI's potential to reduce repetitive tasks and stimulate a new sector in the state's economy, like biotech. However, Scanlon also expresses concerns about AI's negative impacts, such as deepfake revenge pornography and election interference. Scanlon also stresses the importance of not falling behind in AI development and calls for infrastructure improvements to support the sector. Scanlon urges legislative action to support AI development in Connecticut.

Tanya Hughes, Executive Director, CHRO

Ms. Tanya Hughes, on behalf of the Commission on Human Rights and Opportunities, expresses firm support for S.B. 2 while suggesting two key recommendations. She underscores the urgency of regulating AI given its exponential growth, highlighting concerns about discrimination perpetuated by AI systems. Hughes presents a compelling case for requiring private/public organizations to offer a human alternative for AI-generated decisions to ensure digital equity and accessibility. Additionally, she advocates for expanding enforcement jurisdiction to include the Commission, emphasizing the importance of protecting civil rights regardless of whether discrimination arises from human or machine actions. Hughes also praises provisions in the bill addressing dissemination of synthetic lewd images and promoting digital inclusion. Ultimately, she urges the committee to adopt these changes to mitigate the risks of AI discrimination while harnessing its potential benefits for society.

Terri Clark, Executive Director, CASE

Ms. Terri Clark, on behalf of the Connecticut Academy of Science and Engineering, expresses CASE's support for S.B. 2. Chartered by the General Assembly to advise on science and technology issues, CASE has contributed to the AI Working Group 2024 Report and provided vital insights on AI skills development in Connecticut. She outlines various concepts proposed in S.B. 2, such as incorporating AI training into workforce programs, promoting broadband access and digital equity, and establishing a Citizens AI Academy to administer certification programs to Connecticut's youth and adult population. CASE also supports S.B. 2's provisions creating an Artificial Intelligence Advisory Council to manage future AI legislative policy and has offered its support and assistance in this endeavor.

NATURE AND SOURCES OF SUPPORT:

Senate Democrats, Connecticut General Assembly:

The Senate Democrats are in support of S.B. 2, highlighting its significance in regulating AI to protect consumers, prevent deepfake crimes, promote economic growth, enhance workforce training, and improve government efficiency. The Senate Democrats emphasize the need to balance AI use with consumer protection, particularly in sensitive areas like housing, finance, and criminal justice. Additionally, the Senate Democrats advocate for investments in workforce training and education to prepare for AI-related jobs, leveraging the expertise of Connecticut's institutions of higher learning. Furthermore, the Senate Democrats suggest incorporating AI into government operations to enhance efficiency and proposes the establishment of an AI Advisory Council to develop best practices and recommend future legislation regarding AI use in the state.

Tony Hwang, Connecticut General Assembly, State Senator:

Sen. Tony Hwang is in support of S.B. 2, but with some comments of caution. Sen. Hwang emphasized the need for legislative efforts to understand AI's impact on society while protecting equity, privacy, and fairness. Sen. Hwang supported S.B. 2's provisions for an Artificial Intelligence Advisory Council to study best practices and develop legislation. Sen. Hwang also highlighted the importance of prohibiting "deep fakes" to safeguard individuals and elections. Additionally, Sen. Hwang endorsed the inclusion of AI training in workforce development programs and the creation of the Connecticut Citizens AI Academy. However, Sen. Hwang expressed concerns about the removal of private right of action and urged revisiting certain sections of the bill for further input and clarification. Sen. Hwang emphasized the importance of continually adapting legislation to safeguard against AI misuse while promoting innovation.

Christie M. Carpino, Connecticut General Assembly, State Representative:

Rep. Christie M. Carpino emphasizes the urgent need for legislative action to address the issue of deepfake pornography, particularly in protecting individuals from the emotional and professional consequences of having manipulated, pornographic images circulated without consent. Rep. Carpino highlights the traumatizing impact this can have, especially on vulnerable groups like children, young professionals, and public figures. Rep. Carpino urges the committee to recognize the potential harm caused by AI and to take decisive steps to regulate it.

Holly Cheeseman, Connecticut General Assembly, State Representative:

Rep. Holly Cheeseman commends the General Law Committee for addressing issues related to AI through S.B. 2, particularly highlighting the importance of monitoring AI applications, setting standards to prevent algorithmic discrimination, and protecting election integrity. Rep. Cheeseman applauds the inclusion of measures to combat "deepfake porn," which involves manipulating images without consent to create pornographic material, primarily targeting women. Rep. Cheeseman underscores the urgent need to address this issue, framing it as a form of violence against women with devastating effects on victims.

Rep. Rachel Chaleski, 138th Dist., Connecticut General Assembly:

Rep. Rachel Chaleski is in strong support of Section 9 of S.B. 2, as she notes that one of the dangers of AI is non-consensual deepfake pornography. Rep. Chaleski would like to put emphasize on the point that most of the victims of deepfake pornography are women, and it is used to blackmail and humiliate them. Thus, proper regulations will ensure that AI is developed and implemented in ways that benefit society while minimizing potential harm.

Alex Spyropoulos, Regional Policy Manager, CCIA

Mr. Alex Spyropoulos submitted a testimony generally supporting S.B. 2, emphasizing the need for a balanced regulatory approach to AI governance and administration in Connecticut. He commends the legislature for certain provisions in S.B. 2, such as adopting a risk-based approach and amending non-consensual intimate imagery statutes to protect consumers and minors from unethical AI use and deepfakes. However, Mr. Spyropoulos asks the committee to clarify some of the definitions included in S.B. 2, suggesting tailored definitions to accommodate the diverse applications of AI across different industries. Additionally, he proposes explicit carveouts for developers and deployers of AI systems to avoid undue liability for user actions.

Andrew O'Connor, Director of State Government Affairs, ESA

Mr. Andrew O'Connor submitted a testimony stressing the importance of recognizing and distinguishing low-risk uses of artificial intelligence (AI), particularly in the video game industry, to prevent unintended consequences from Senate Bill 2's regulatory efforts. Highlighting the industry's longstanding and successful integration of AI in game development, ESA urges lawmakers to consider the sector's unique characteristics and self-regulatory mechanisms. Mr. O'Connor advocate for a risk-based approach that acknowledges the absence of typical AI concerns like fraud and misinformation in video games, where consumers engage with fictional worlds and characters. ESA calls for legislative measures that safeguard the industry's legal rights and foster creativity, underscoring the need for collaboration between policymakers and industry stakeholders to address AI regulation effectively.

Art Corey, Senior VP & General Counsel, CT Bankers Association

Mr. Art Corey submitted a testimony underscoring the crucial need for S.B. 2 in the financial services sector, as S.B. 2 will establish effective regulations concerning the development, deployment, and use of AI by private industries. He commends Senator Maroney, Representative D'Agostino, and the entire committee for their diligent efforts in crafting this legislation and acknowledges the potential benefits of AI in expanding access to credit and financial services. By highlighting the proactive approach of federal banking regulators in addressing AI-related risks, Mr. Corey emphasizes the importance of ensuring compliance with existing consumer financial services laws, such as fair lending laws, to promote responsible AI use while adhering to regulatory standards.

Dr. Barry Stein, Chief Clinical Innovation Officer, Hartford Healthcare

Dr. Barry Stein delivered a testimony to the committee expressing his support for S.B. 2, highlighting the transformative potential of AI in Connecticut's healthcare sector. Hartford Healthcare's newly established 'Center for AI Innovation in Healthcare' aims to leverage AI responsibly to improve patient care and healthcare outcomes. Dr. Stein demonstrates examples of successful AI applications in healthcare, including its ability to predict COVID-19 outcomes and optimizing hospital operations. Furthermore, these AI initiatives enhanced patient care, streamlined operations, and improved overall staff efficiency. Hartford Healthcare endorses S.B. 2 and hopes to collaborate with lawmakers in the future to harness AI's potential for patients and families across Connecticut.

Brittany Sakata, General Counsel, American Staffing Association

Ms. Brittany Sakata submitted a written testimony in support of S.B. 2, emphasizing the imperative need for temporary staffing agencies in Connecticut and the challenges they face regarding the use of AI in employment. She suggests that the notice provisions in S.B. 2 may pose operational difficulties for staffing agencies due to the nature of their candidate search process. Furthermore, she proposes solutions such as website postings for notice dissemination. Finally, Ms. Sakata argues against requiring staffing firms to conduct impact assessments, citing technical complexity and potential liability concerns. Instead, the developers of the AI system should have the responsibility of conducting impact assessments, not the private business relying on the tool.

Brooks Campion, Lobbyist, CT Association of Health Plans (CTAHP)

Ms. Brooks Campion submitted a testimony generally supporting S.B. 2 to regulate the development and deployment of AI systems in Connecticut. However, she requests an

amendment to exempt HIPAA-compliant entities, such as insurers licensed in the state, from the bill's application, citing existing regulations and guidelines. Ms. Campion highlights the issuance of Bulletin No. MC-25 by the CT Insurance Department, which aligns with the NAIC Model Bulletin on the Use of AI Systems by insurers. Furthermore, she asserts that Connecticut health insurers are already subject to similar regulatory oversight and requests further discussions with the committee to avoid compliance conflicts.

Carol Rizzolo

Ms. Carol Rizzolo expresses support for S.B. 2 and pride in Connecticut's leadership in regulating AI. She advocates for implementing safeguards to mitigate potential misuse of AI technology, citing recent incidents of deepfake robocalls as a concerning example. Ms. Rizzolo acknowledges the importance of AI while speaking in favor for swift regulation to prevent the technology's misuse. She concludes by applauding Senator Maroney's efforts in spearheading S.B. 2, expressing her strong support for S.B. 2.

Christopher Gilrein, Executive Director, Northeast TechNet

Mr. Christopher Gilrein generally supports S.B. 2 due to its potential in regulating and promoting responsible public and private use of AI in Connecticut but provides critiques and recommendations for strengthening certain provisions in next year's legislative sessions. He highlights the recommendations deliberated by the Connecticut AI Working Group 2024 Report, emphasizing workforce development initiatives and regulatory interventions to address known risks. While Mr. Gilrein strongly supports the provisions aligning with the working group's earlier recommendations, he expresses concerns about the extensive regulatory provisions in Sections 1-7, suggesting certain provisions be tabled till next session to avoid hindering Connecticut's competitiveness in the newly emerging AI sector. He offers himself and TechNet as resources for the committee's future work regarding AI policy.

Claire Matthews

Ms. Claire Matthews advocates for the passage of S.B. 2, highlighting the crucial role of government in safeguarding the public from potential negative consequences of rapid AI advancement. She emphasizes the importance of implementing adequate controls to prevent the misuse of powerful AI tools for unethical purposes.

David DesRoches, CCFOI

Mr. David DesRoches expresses support for the goals of SB 2 in regulating artificial intelligence (AI) while advocating for greater transparency and accountability in the bill's provisions. DesRoches, who was also a member of the Connecticut Artificial Intelligence Working Group, highlights concern regarding proposed exemptions to the state's Freedom of Information Act, particularly regarding documents related to investigations into high-risk AI systems. He argues against blanket exemptions, emphasizing the importance of public access to information to address concerns about bias, discrimination, and negative effects of AI systems. Mr. DesRoches also raises issues regarding enforcement, reporting requirements, consumer notifications, and definitions within the bill, urging the committee to clarify and strengthen these aspects to ensure effective regulation of AI. Overall, Mr. DesRoches appears to offer nuanced support for S.B. 2, while simultaneously providing recommendations to enhance S.B. 2's transparency, accountability, and equity in regulating AI.

David McGuire, Executive Director, ACLU-CT

In his testimony on S.B. 2, Mr. David McGuire emphasized that AI systems, pervasive across various sectors like criminal justice, education, and healthcare, can perpetuate bias and discrimination due to flaws in design, development, and data training. He argues that AI-driven automated decision-making, such as in hiring and housing, can exacerbate existing inequalities and hinder marginalized groups. He proposes amendments to S.B. 2 to enhance equity measures, including the inclusion of a private right of action for enforceability, broadening the scope beyond narrowly defined automated decision-making tools, strengthening impact assessment requirements, and improving provisions for addressing discrimination. He stresses the importance of robust auditing and transparency to mitigate discriminatory harms posed by AI in Connecticut.

Edward Hawthorne, President, CT AFL-CIO

Mr. Edward Hawthorne submitted a testimony largely supporting the provisions in S.B. 2 but raised concerns and suggested amendments to strengthen them. He acknowledges the effort and time put into creating S.B. 2 and the need to address challenges associated with AI in the workplace. Mr. Hawthorne reflects on potential issues, such as discrimination, surveillance, and job insecurity, due to AI implementation and evolution, emphasizing the impact AI will have on labor unions. He argues for changes in several sections of S.B. 2, including the definitions of automated decision tools and high-risk AI systems, the inclusion of the right to opt-out of AI decisions, the establishment of a private right of action for violations, and the involvement of labor union representatives in the AI Advisory Council. Additionally, he suggests amendments to sections related to collective bargaining and the establishment of a labor-management committee for state workforce trainings.

Eric George, President, Insurance Association of Connecticut (IAC)

Mr. Eric George expresses gratitude towards the committee for their work on S.B. 2, which addresses the regulation of artificial intelligence. The IAC emphasizes the unique regulatory environment of the insurance industry, subject to significant scrutiny from the Connecticut Department of Insurance (CTDOI) and the National Association of Insurance Commissioners (NAIC). They highlight the recent adoption of a model bulletin by the NAIC regarding the development, deployment, and use of AI by insurers, indicating a collaborative effort to balance innovation with risk mitigation. The IAC notes the release of Bulletin MC-25 by the CTDOI based on the NAIC model, underscoring its significance in regulating insurers. He concludes by expressing the IAC's readiness to further collaborate on AI regulation and policy, while simultaneously serving as a resource for the committee.

Howard Fienberg, Senior VP of Advocacy, Insights Association

Mr. Howard Fienberg submitted a written testimony expressing neither explicit support nor opposition to S.B. 2 but offered concerns and recommendations to improve it. He suggests a risk-based approach to drafting a professional code of conduct for AI use, emphasizing regulation targeting only the most high-risk of AI systems. Additionally, he appreciates S.B. 2's exemptions for AI combating fraud but suggests a narrower regulatory focus on high-risk AI systems. Despite acknowledging the potential benefits of AI for his industry, Mr. Fienberg concludes by urging the committee to thoughtfully reflect on its current set of regulations to maximize AI's utility for companies and consumers.

Grace Gedye, Policy Analyst, Consumer Reports

Ms. Grace Gedye expresses overall support for S.B. 2 to regulate automated decision tools in Connecticut while highlighting areas where she believes S.B. 2 needs strengthening to protect consumers fully and holistically. Firstly, she advocates for ensuring consumers receive clear, accurate, and actionable explanations of consequential decisions made by automated tools. Secondly, she argues that developers should be responsible for protecting consumers from various harms beyond discrimination, such as invasion of privacy and unfair business practices. Thirdly, she addresses the narrow definition of automated decision tools, suggesting that the current language may allow companies to circumvent accountability measures. Lastly, she recommends providing consumers with enforcement tools under Connecticut's Unfair Trade Practices Act to ensure effective protection. Ms. Gedye offers to share an amended version of S.B. 2 to address these concerns and concludes by commending the legislators for their efforts while urging further consideration of these issues by the committee.

Jacqueline Cushing, Legal Intern, Center for Children's Advocacy

Ms. Jacqueline Cushing submitted a passionate testimony in support of S.B. 2 emphasizing the need to expand intimate image laws to include "synthetic images" generated by AI. Citing personal experiences and cases she has encountered, Ms. Cushing highlights the alarming prevalence and devastating impact of deepfake technology, particularly on children who are unable to seek legal recourse. She argues for the inclusion of synthetic images in existing statutes, calling attention to the ease with which AI-generated content can be manipulated and distributed. Ms. Cushing urges the committee to address this pressing issue and safeguard the well-being of Connecticut's families, particularly its youth, by supporting and passing S.B. 2.

Kenneth Bastian, AI Developer & Owner, AI Web Tools LLC

Mr. Kenneth Bastian presented three distinct testimonies in support of S.B. 2 and the legislature's overarching objective to regulate AI comprehensively and securely. He asserts the substantial potential of AI to revolutionize technology's interaction with individuals and society. Mr. Bastian advocates for an exploration of "the transformative impact AI will have on our world," emphasizing the necessity of studying both current and future implications. In his capacity as an AI developer and proprietor of an AI tool business, Mr. Bastian expresses his willingness to collaborate with the state legislature in crafting effective and comprehensive policies to address the challenges and opportunities arising from the proliferation of AI systems. Furthermore, in his third testimony, Mr. Bastian offers a catalog comprising 900 AI web tools for legislative review, underscoring the complexity involved in regulating this new, unprecedented technology.

Laura Copland

Ms. Laura Copland provided a concise written testimony endorsing S.B. 2, emphasizing the imperative to craft effective and equitable policies for monitoring the societal impact of AI. She endorses the recommendations put forth by the AI Working Group in their February report, stressing the vital importance of ethical and fair AI system development.

Mag Morelli, President, LeadingAge Connecticut

Ms. Mag Morelli expresses her support for S.B. 2 due to the impact this piece of legislation would have on Connecticut's aging demographic. While AI tools offer solutions to workforce shortages and enable older adults to maintain independence, Ms. Morelli cautioned the

committee in approaching certain aspects of S.B. 2. Nonetheless, aging services providers require ethical and responsible AI usage, and she encourages the committee to seek thoughtful input from organizations and companies in the aging business sector for additional recommendations.

Merla Porter, CT Indivisible

Ms. Merla Porter supports S.B. 2, emphasizing the urgent necessity to address AI's growing influence on individual and collective decision-making. She raises concerns about AI's potential to manipulate election outcomes and undermine democracy, illustrating the importance of safeguarding election integrity. She asserts that protecting democracy is a moral imperative and asks the committee to brainstorm additional action to prevent AI from discrediting and interfering with voting processes.

Monica Laufer, Workday

Ms. Monica Laufer applauds the committee for its successful introduction of S.B. 2 and for its important role in building public trust in AI while promoting innovation. She commends the framework outlined in S.B. 2, which prioritizes workforce development by integrating AI curriculum into state-wide training programs and adopting a risk-based approach to regulating high-risk AI systems. Ms. Laufer highlights the important role of establishing accountability measures, including impact assessments and AI governance programs, to mitigate technology risks. Finally, she stresses the shared responsibility for AI accountability between deploying and developing companies, advocating for tailored requirements that ensure consistent protection throughout an AI's lifecycle.

Jennifer Porcari, Director of Public Employees, AFT

Ms. Jennifer Porcari submitted a written testimony supporting S.B. 2, recognizing the importance of its efforts to address potential issues with generative AI. While commending the committee's work thus far, Ms. Porcari suggests additional guardrails, particularly regarding the right to opt-out of high-risk AI decisions and eliminating exemptions for open-source AI deployers. She emphasizes the need for workforce development and suggests amendments to various provisions of S.B. 2, including adjustments to language related to regulation, workforce integration, and political deepfakes. Finally, she urges the legislature to ensure Connecticut's AI standards are aligned with national and global standards to bolster Connecticut's competitiveness in the AI sector.

Pua Ford, Media Issues Specialist, League of Women of CT

The League of Women of CT commends the General Law Committee for this robust piece of legislation, and thanks the committee members for their diligence in ensuring local and state election services are encompassed under this AI legislation. However, Pua Ford does believe that S.B. 2's lines 736-762 (subsection c) should be clarified, as the current language is "puzzling" and does not strike an effective balance between free speech and election integrity.

Dr. Rocco Orlando, Senior VP & Chief Academic Officer, Hartford Healthcare

Dr. Rocco Orlando commends Senator Maroney for his leadership in addressing the introduction of Artificial Intelligence (AI) in healthcare and offers insights on ensuring patient safety, promoting economic development, and achieving health equity through AI integration. He suggests that healthcare systems develop governance processes to assess and monitor AI applications, aligning with emerging requirements from regulatory bodies like the Joint

Commission. Orlando advocates for excluding FDA or ONC-approved AI from SB 2 requirements, while recommending exemptions for AI research conducted under Institutional Review Boards (IRBs). He emphasizes the potential of AI to drive economic development in Connecticut but cautions against regulations that could deter innovation. Additionally, Orlando highlights the importance of addressing algorithmic bias in AI applications and leveraging AI to address health inequities through research initiatives.

Dr. Ronald Harichandran, Dean & Provost, Tagliatela College of Engineering

Mr. Ronald Harichandran submitted a testimony commending the committee for its efforts in crafting S.B. 2 to regulate AI and develop educational curriculums to increase digital literacy in Connecticut. While praising the focus on developing an AI workforce, he highlights an oversight in limiting state government support to state community colleges and universities, neglecting the capacity and expertise of private universities in Connecticut. He proposes extending support to all higher education institutions, contingent on curriculum approval by authoritative entities, to leverage the full educational resources of the state for a more comprehensive and effective AI workforce training program, ultimately enhancing Connecticut's leadership in AI education and workforce development.

Sarah Lynn Geiger, State Affairs Regional Director, America's Health Insurance Plans

Ms. Sarah Geiger submitted a testimony generally supporting S.B. 2 but made recommendations and suggestions to the committee due to language concerns. She argues that insurers are already subject to regulations prohibiting discrimination and cites various enactments and regulations governing current insurance practices. Furthermore, she highlights the potential for duplicative requirements and compliance confusion if S.B. 2 is applied to insurers, requesting an amendment to exempt insurers from these new provisions.

Stacey Zimmerman, Director of Special Projects, SEIU CT State Council

Ms. Stacey Zimmerman advocates for collaborative policymaking in formulating legislation concerning AI, emphasizing the importance of protecting labor rights. Ms. Zimmerman urges the committee to consider expert testimony and language provided by national experts. Furthermore, she stresses the need for recourse if AI systems make errors in the workplace and highlights the importance of collective bargaining over AI-related workplace complications. However, overall, Ms. Zimmerman supports S.B. 2, but advises the committee to center S.B. 2 more strongly around worker protections and civil rights.

Supriyo B. Chatterjee

Mr. Supriyo Chatterjee submitted a testimony in support of S.B. 2, focusing on the benefits S.B. 2 will have on the healthcare and aerospace manufacturing industries. He highlights the need for regulations to ensure the security and privacy of health data considering AI advancements. Furthermore, he emphasizes the growing role of AI in aerospace manufacturing and calls for a future legislative framework dealing with workforce preparation, industry applications, security, and safety measures. Overall, Mr. Chatterjee urges the committee to pass S.B. 2 and to continue their work addressing the complex challenges posed by AI.

Tatiana Rice, Senior Counsel, Future of Privacy Forum (FPF):

The Future of Privacy Forum (FPF) commends the ambitious approach of Connecticut SB 2 in addressing algorithmic discrimination in high-risk AI systems and emphasizes the importance of collaboration with experts in various fields to ensure the legislation effectively

tackles critical issues such as data privacy and discrimination. FPF recommends clear definitions for the AI systems subject to regulation, clarifying the applicability of the bill to different AI types, ensuring alignment with existing civil rights law, and including exceptions for activities promoting societal good. Overall, FPF appreciates the opportunity to provide input and offers further assistance to the General Law Committee if needed.

Tirthankar Ghosh, Professor, University of New Haven

Mr. Tirthankar Ghosh emphasizes the urgent need for regulatory measures to address the ethical and practical implications of AI advancement. He advocates for transparent and accountable AI development, highlighting concerns regarding data privacy, algorithmic bias, and societal impact. Ghosh urges collaborative efforts among policymakers, industry, and the public to establish adaptive regulatory frameworks that balance innovation with risk mitigation.

Wyatt Bosworth, Associate Counsel, CBIA

Mr. Wyatt Bosworth advocates for the advancement of artificial intelligence and certain provisions in S.B. 2, while urging caution against stifling innovation through excessive regulation. Acknowledging the transformative impact AI will have across various industries, he emphasizes the importance of striking a balance between regulation and innovation to foster progress. On behalf of CBIA, Mr. Bosworth supports many sections in S.B. 2 for its promotion of collaboration, workforce training, and investments in AI research and development. However, he expresses concerns about certain definitions, regulations, and reporting requirements in S.B. 2 that could hinder AI innovation if adopted. Nonetheless, Mr. Bosworth underscores the need for consensus among experts and policymakers to develop a safe regulatory framework that is grounded in innovation, economic growth, data privacy, and consumer protection.

NATURE AND SOURCES OF OPPOSITION:

Aden Hizkias, Policy Analyst, Chamber of Progress

Aden Hizkias did not express explicit opposition to S.B. 2 but asked the General Law Committee to amend certain provisions. She challenged S.B. 2's conceptual definitions of artificial intelligence and its negative assumptions about companies perpetuating discrimination. Furthermore, she opposed S.B. 2's attempt to change existing statutory law to protect civil rights from AI discrimination, as laws are already in place on the federal and state-level to regulate the interactions between companies and consumers. Instead of creating a new law concerning AI discrimination, the General Law Committee should broaden existing statutory and legal provisions to encompass AI discrimination. Finally, she is concerned with the bill's heavy emphasis on online discrimination, reminding the committee about the importance of mitigating discrimination offline.

Andrew Kingman, Counsel, State Privacy Security Coalition

Andrew Kingman appreciates the committee's hard work over the last few years in refining and developing S.B. 2. However, he is concerned by how S.B. 2 did not encompass all of the AI Working Group's recommendations from their 2024 report. He asks the committee to reconsider the current bill language and structure, advocating for additional materials to be included from the 2024 AI Working Group Report.

Connecticut Hospital Association (CHA):

The Connecticut Hospital Association (CHA) has concerns about S.B. 2's current draft. CHA emphasizes the critical role of hospitals in communities, particularly in the face of post-pandemic challenges, including treating sicker patients, staffing issues, and financial strains. While acknowledging the state's efforts to invest in technology and education, CHA argues that SB 2's provisions for oversight of technology innovation are excessive and could hinder Connecticut's competitiveness. CHA stresses the importance of exempting healthcare from these regulations, citing existing federal laws governing healthcare technology. CHA urges clarity on S.B. 2's application to healthcare and requests exemptions to avoid impeding healthcare obligations and innovations.

Hisham Alnajjar, Dean of Engineering, University of Hartford:

Hisham Alnajjar opposes S.B. 2. While commending the bill's focus on AI workforce development through state institutions, it highlights an oversight in excluding private universities like UHart, which possess expertise and resources crucial for comprehensive AI training. Alnajjar stresses the importance of addressing potential risks associated with AI and the need for adaptable education and proposes revising the legislation to include all higher education institutions in Connecticut.

Kristina Baldwin, Vice President, American Property Casualty Insurance Association (APCIA):

The American Property Casualty Insurance Association (APCIA) expresses concerns about potentially duplicative regulations proposed in S.B. 2, arguing that the insurance industry is already extensively regulated, and urges the General Law Committee to consider the unique regulatory landscape of the insurance sector when refining AI legislation. APCIA advocates for collaboration with the General Law Committee to ensure that any regulations appropriately address the specific needs and circumstances of the insurance industry.

Marisa Bellair, President, CT Trial Lawyers Association:

Marisa Bellair strongly opposes S.B. 2 due to its limited enforcement provisions monopolized by the Attorney General's Office, fearing that delegating "exclusive authority" to one office could shield "big tech companies from responsibility to those that they harm." She calls for the removal of this exclusionary provision to allow other actors and agencies to hold big tech companies accountable for consumer protection violations. Furthermore, she expresses frustration with S.B. 2's lack of a private right of action, which would hinder individuals from using the court system as an outlet to have their harms addressed and rights protected.

Roxolana Kozyckyj, Senior Director, Advanced Medical Technology Association:

Roxolana Kozyckyj expressed opposition to S.B. 2 due to the negative impacts it would have on medical professionals relying on FDA-approved AI/ML-enabled medical devices to provide high-quality, timely healthcare for Connecticut residents. S.B. 2's definitions of AI would interfere with the distribution and performance of medical technology products, lowering healthcare outcomes. She recommends that the committee add language exempting AI systems that are subject to review and approval under the Food, Drug, and Cosmetic Act of 1938.

Troy Raccuia, Director of Collective Bargaining, Council 4 AFSCME

Troy Raccuia delivered concerns and recommendations to the General Law Committee due to the impact S.B. 2 would have on his union employees. He expresses opposition to S.B. 2

due to existing "potential loopholes" which would "lower protective standards for workers, consumers, and individuals." He asks the committee to amend Section 8, which concerns the establishment of an AI Advisory Council, to include the appointment of two labor union representatives to represent Connecticut's public employees for future AI legislation.

**Reported by: Kyle Mashia-Thaxton & Joshua
Gonzalez**

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