



General Assembly

January Session, 2025

Governor's Bill No. 1249

LCO No. 4400



Referred to Committee on GENERAL LAW

Introduced by:

Request of the Governor Pursuant
to Joint Rule 9

AN ACT ADDRESSING INNOVATIONS IN ARTIFICIAL INTELLIGENCE.

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

1 Section 1. Section 4-67p of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2025*):

3 (a) The Secretary of the Office of Policy and Management shall
4 designate an employee of the Office of Policy and Management to serve
5 as Chief Data Officer. The Chief Data Officer shall be responsible for (1)
6 directing executive branch agencies on the use and management of data
7 to enhance the efficiency and effectiveness of state programs and
8 policies, (2) facilitating the sharing and use of executive branch agency
9 data (A) between executive branch agencies, and (B) with the public, (3)
10 coordinating data analytics and transparency master planning for
11 executive branch agencies, and (4) creating the state data plan in
12 accordance with subsection (c) of this section. The Chief Data Officer
13 shall carry out the responsibilities set forth in subdivisions (1) to (3),
14 inclusive, of this subsection in accordance with the state data plan
15 created pursuant to subsection (c) of this section.

16 (b) Each executive branch agency shall designate an employee of the
17 agency to serve as the agency data officer, who shall be responsible for
18 implementing the provisions of this section and who shall serve as the
19 main contact person for inquiries, requests or concerns regarding access
20 to the data of such agency. The agency data officer, in consultation with
21 the Chief Data Officer and the executive agency head, shall establish
22 procedures to ensure that requests for data that the agency receives are
23 complied with in an appropriate and prompt manner.

24 (c) Not later than December 31, 2018, and every two years thereafter,
25 the Chief Data Officer, in consultation with the agency data officers and
26 executive branch agency heads, shall create a state data plan. The state
27 data plan shall (1) establish management and data analysis standards
28 across all executive branch agencies, (2) include specific, achievable
29 goals within the two years following adoption of such plan, as well as
30 longer term goals, (3) make recommendations to enhance
31 standardization and integration of data systems and data management
32 practices across all executive branch agencies, (4) provide a timeline for
33 a review of any state or federal legal concerns or other obstacles to the
34 internal sharing of data among agencies, including security and privacy
35 concerns, and (5) set goals for improving the online repository
36 established pursuant to subsection (i) of this section. Each state data
37 plan shall provide for a procedure for each agency head to report to the
38 Chief Data Officer regarding the agency's progress toward achieving the
39 plan's goals. Such plan may make recommendations concerning data
40 management for the legislative or judicial branch agencies, but such
41 recommendations shall not be binding on such agencies.

42 (d) The Chief Data Officer shall submit a preliminary draft of such
43 plan to the Connecticut Data Analysis Technology Advisory Board
44 established under section 2-79e not later than November 1, 2018, and
45 every two years thereafter. Said board shall hold a public hearing on
46 such draft and shall submit any suggested revisions to the Chief Data
47 Officer not later than thirty days after receipt of such draft.

48 (e) After the public hearing and if applicable, receiving any
49 recommended revisions from the board, the Chief Data Officer shall
50 finalize such plan and submit the final plan to the board. The Chief Data
51 Officer shall send a copy of the final state data plan to all agency data
52 officers and shall post such plan on the Internet web site of the Office of
53 Policy and Management.

54 (f) Information technology-related actions and initiatives of all
55 executive branch agencies, including, but not limited to, the acquisition
56 of hardware and software and the development of software, shall be
57 consistent with the final state data plan.

58 (g) On or before December 31, 2018, and not less than annually
59 thereafter, each executive branch agency shall conduct an inventory of
60 any high value data that is collected or possessed by the agency. Such
61 inventory shall be in a form prescribed by the Chief Data Officer. In
62 conducting such inventory, data shall be presumed to be public data
63 unless otherwise classified by federal or state law or regulation. On or
64 before December 31, 2018, and not less than annually thereafter, each
65 executive branch agency shall submit such inventory to the Chief Data
66 Officer and the Connecticut Data Analysis Technology Advisory Board.

67 (h) Each executive branch agency shall develop an open data access
68 plan. Such plan shall be in a form prescribed by the Office of Policy and
69 Management and shall detail the agency's plan to publish, as open data,
70 any public data that the agency has identified and any protected data
71 that can be made public through aggregation, redaction of individually
72 identifiable information or other means sufficient to satisfy applicable
73 state or federal law or regulation.

74 (i) The Office of Policy and Management shall operate and maintain
75 an online repository for the publication of open data by executive
76 branch agencies.

77 (j) Not later than January 1, 2026, the Chief Data Officer, in
78 consultation with the agency data officers designated pursuant to

79 subsection (b) of this section, shall review the inventory of high value
80 data collected or possessed by executive branch agencies pursuant to
81 subsection (g) of this section to identify and publish any data that could
82 be useful for artificial intelligence systems, machine learning and other
83 statistical means of data analysis to create economic opportunity and
84 support state economic development goals, through private businesses,
85 nonprofit organizations and other entities that will use such data,
86 consistent with all applicable laws and regulations. The Chief Data
87 Officer and agency data officers shall:

88 (1) Identify appropriate data to make available for use by artificial
89 intelligence systems, machine learning and other statistical means of
90 data analysis;

91 (2) Develop policies and procedures for data quality and data
92 governance to ensure data are appropriate for the intended purpose and
93 do not lead to any unlawful discrimination or disparate impact, as
94 described in subparagraph (B) of subdivision (1) of subsection (c) of
95 section 51-10e;

96 (3) Determine any necessary aggregation, redaction of individually
97 identifiable information or application of other techniques required to
98 ensure and preserve privacy and to satisfy all applicable state or federal
99 laws and regulations for the public disclosure of data; and

100 (4) Determine the procedures through which agencies shall make any
101 such data available via publication on the online repository for open
102 data maintained pursuant to subsection (i) of this section.

103 [(j)] (k) Any state agency that is not an executive branch agency and
104 any quasi-public agency or municipality may voluntarily opt to comply
105 with the provisions of this section and, upon submission of written
106 notice of the agency's or municipality's decision to the Office of Policy
107 and Management, the provisions of this section shall apply to such
108 agency or municipality. Any state or quasi-public agency or any
109 municipality that voluntarily opts to comply with the provisions of this

110 section may opt out of complying with this section upon submission of
111 written notice of the agency's or municipality's decision to the Office of
112 Policy and Management. The Office of Policy and Management shall
113 create and maintain a list of all agencies subject to the provisions of this
114 section, including those agencies and municipalities that have
115 voluntarily opted to comply, and shall publish such list on the office's
116 Internet web site and update such list as necessary.

117 Sec. 2. (*Effective July 1, 2025*) The Commissioner of Economic and
118 Community Development, in consultation with the Banking
119 Commissioner, Commissioner of Health Strategy, Commissioner of
120 Public Health and Insurance Commissioner, shall develop a plan to
121 establish an artificial intelligence regulatory sandbox program, which
122 allows an applicant to temporarily test an innovative product or service
123 on a limited basis under reduced licensure, regulatory or other legal
124 requirements than may otherwise be required under the laws of the
125 state. Such plan shall be developed with the intention of establishing a
126 competitive business environment in Connecticut for the development
127 and deployment of artificial intelligence technologies relative to other
128 jurisdictions. Not later than January 1, 2026, the Commissioner of
129 Economic and Community Development shall submit
130 recommendations for any requisite legislative proposals for the
131 implementation of such plan to the Governor and the joint standing
132 committees of the General Assembly having cognizance of matters
133 relating to commerce, banking, insurance and public health.

134 Sec. 3. (NEW) (*Effective October 1, 2025*) (a) As used in this section:

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

140 (2) "Generative artificial intelligence system" means any artificial

141 intelligence system that (A) is trained on data, (B) interacts with any
142 individual by way of text, audio or visual communication, and (C)
143 generates nonscripted outputs similar to outputs created by human
144 beings, with limited or no human oversight; and

145 (3) "Person" means an individual, association, corporation, limited
146 liability company, partnership, trust or other legal entity.

147 (b) Except as provided in subsection (c) of this section, it shall not be
148 a defense to any civil or administrative claim or action of any kind,
149 including, but not limited to, any claim in tort or contract, any claim or
150 action arising out of any unfair or deceptive act or practice in the
151 conduct of trade or commerce under subsection (a) of section 42-110b of
152 the general statutes, any claim or action arising out of the unauthorized
153 practice of any licensed, certified or registered profession, trade,
154 business or occupation or any claim or action arising out of any
155 discrimination prohibited under chapter 814c of the general statutes,
156 that an artificial intelligence system:

157 (1) Committed the act or omission that is the basis for such claim or
158 action; or

159 (2) Was used in furtherance of the act or omission that is the basis for
160 such claim or action.

161 (c) The provisions of subsection (b) of this section shall not be
162 construed to apply to any circumstance in which a person provides an
163 individual with access to a generative artificial intelligence system, or
164 prompts or otherwise causes an individual to interact with a generative
165 artificial intelligence system, and:

166 (1) Clearly and conspicuously discloses to the individual that such
167 individual is interacting with a generative artificial intelligence system
168 and not a human being (A) upon a request made by such individual for
169 such disclosure, or (B) (i) orally at the start of such interaction, if such
170 interaction is conducted orally, or (ii) by way of an electronic message

171 delivered to such individual before the start of such interaction, if such
172 interaction is conducted in writing; and

173 (2) Discloses that the interaction between the individual and the
174 generative artificial intelligence system is not intended to provide any
175 advice that may only be provided by a person acting within the scope
176 of a licensed, certified or registered profession, trade, business or
177 occupation, if the person providing such individual with access to such
178 generative artificial intelligence system, or prompting or otherwise
179 causing such individual to interact with such generative artificial
180 intelligence system, provides services that may only be provided by a
181 person acting within the scope of a duly licensed, certified or registered
182 profession, trade, business or occupation.

183 Sec. 4 (NEW) (*Effective July 1, 2025*) (a) As used in this section:

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

189 (2) "Quantum technology" means the use of the laws of quantum
190 physics for (A) the storage, transmission, manipulation, computing or
191 measurement of information, or (B) the development or manufacturing
192 of machinery, hardware, materials or pharmaceuticals; and

193 (3) "Corporation" means Connecticut Innovations, Incorporated.

194 (b) The corporation shall establish a fund to be known as the Artificial
195 Intelligence and Quantum Technology Investment Fund for the purpose
196 of investing in companies in the state, or companies relocating
197 significant operations to the state, which develop, manufacture, utilize
198 or deploy artificial intelligence systems or quantum technology. The
199 corporation, or a subsidiary created by the corporation for the purposes
200 of this section, shall serve as general partner or managing member of

201 the fund and shall determine the organizational and operating structure
202 of the fund.

203 (c) The corporation may capitalize the fund from time to time by
204 drawing upon the existing assets of the corporation. The corporation
205 may invest up to fifty million dollars in the fund. The fund may make
206 investments or coinvestments in companies in the state, or companies
207 relocating significant operations to the state, which investments may
208 include seed financing, start-up financing, early or first-stage financing
209 or expansion financing, as such terms are defined in section 32-34 of the
210 general statutes.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2025</i>	4-67p
Sec. 2	<i>July 1, 2025</i>	New section
Sec. 3	<i>October 1, 2025</i>	New section
Sec. 4	<i>July 1, 2025</i>	New section

Statement of Purpose:

To implement the Governor's budget recommendations.

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