## IN THE HOUSE OF REPRESENTATIVES

## HOUSE BILL NO. 568, As Amended

## BY ENVIRONMENT, ENERGY AND TECHNOLOGY COMMITTEE

| 1 | AN ACT   |
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| 2 | RELATING TO THE ARTIFICIAL INTELLIGENCE ADVISORY COUNCIL; AMENDING TITLE |
| 3 | 67, IDAHO CODE, BY THE ADDITION OF A NEW CHAPTER 97, TITLE 67, IDAHO     |
| 4 | CODE, TO DEFINE TERMS, TO ESTABLISH THE IDAHO ARTIFICIAL INTELLIGENCE    |
| 5 | ADVISORY COUNCIL, TO PROVIDE FOR POWERS AND DUTIES OF THE COUNCIL, TO    |
| 6 | REQUIRE INVENTORY REPORTS REGARDING AUTOMATED DECISION SYSTEMS EM-       |
| 7 | PLOYED BY STATE AGENCIES, TO PROVIDE FOR THE APPOINTMENT OF COUNCIL      |
| 8 | MEMBERS AND COUNCIL MEETING REQUIREMENTS, AND TO PROVIDE A SUNSET DATE;  |
| 9 | AND DECLARING AN EMERGENCY AND PROVIDING AN EFFECTIVE DATE.              |

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Title 67, Idaho Code, be, and the same is hereby amended by the addition thereto of a <u>NEW CHAPTER</u>, to be known and designated as Chapter 97, Title 67, Idaho Code, and to read as follows:

## CHAPTER 97 ARTIFICIAL INTELLIGENCE ADVISORY COUNCIL

67-9701. DEFINITIONS. As used in this chapter:

- (1) "Algorithm" means a computerized procedure consisting of a set of steps used to accomplish a determined task.
  - (2) "Artificial intelligence systems" means systems capable of:
  - (a) Perceiving an environment through data acquisition and processing and interpreting the derived information to take an action or actions or to imitate intelligent behavior given a specific goal; and
  - (b) Learning and adapting behavior by analyzing how the environment is affected by prior actions.
- (3) "Automated decision system" means an algorithm, including an algorithm incorporating machine learning or other artificial intelligence techniques, that uses data-based analytics to make or support governmental decisions, judgments, or conclusions.
- (4) "Automated final decision system" means an automated decision system that makes final decisions, judgments, or conclusions without human intervention.
- (5) "Automated support decision system" means an automated decision system that provides information to inform the final decision, judgment, or conclusion of a human decision maker.
- (6) "Council" means the artificial intelligence advisory council established pursuant to this chapter.
- 67-9702. ARTIFICIAL INTELLIGENCE ADVISORY COUNCIL. (1) There is hereby created the Idaho artificial intelligence advisory council. The council shall be composed of ten (10) members; two (2) members of the majority party and one (1) member of the minority party of the house of rep-

resentatives appointed by the speaker of the house of representatives, two (2) members of the majority party and one (1) member of the minority party of the senate appointed by the president pro tempore of the senate, and the following four (4) members appointed by the governor: an ethics professional with prior experience in artificial intelligence who is employed by a public or private institution; an artificial intelligence professional who is employed by a public or private institution and specializes in artificial intelligence systems; an expert on law enforcement usage of artificial intelligence systems; and an expert in constitutional and legal rights.

- (2) The administrator of the office of information technology services, or such administrator's designee, shall serve as a technical advisor to the council. The administrator may retain outside advisors to assist in this advisory role in any specialty that the administrator determines would assist in this advisory role, including individuals specializing in artificial intelligence, fair use law, ethics, law enforcement, and criminal justice.
- (3) One (1) of the council members appointed by the speaker of the house of representatives and one (1) of the council members appointed by the president pro tempore of the senate shall serve as cochairs of the council.
  - (4) The council shall meet at the call of the cochairs.

- 67-9703. POWERS AND DUTIES OF THE COUNCIL. The council shall have the following powers and duties:
- (1) To study and monitor artificial intelligence systems developed, employed, or procured by state agencies. This shall include but is not limited to:
  - (a) Assessing the need for a state code of ethics for artificial intelligence systems in state government;
  - (b) Reviewing automated decision systems inventory reports submitted by state agencies pursuant to section 67-9704, Idaho Code, including a review of:
    - (i) The effect of the automated decision systems on the constitutional or legal rights, duties, or privileges of the residents of this state; and
    - (ii) The potential benefits, liabilities, or risks that this state could incur as a result of implementing the automated decision systems; and
  - (c) Recommending administrative actions that state agencies may take without further legislative authorization;
- (2) To advise the governor, legislature, and state departments and agencies of the nature, magnitude, and priorities of issues regarding artificial intelligence;
- (3) To advise the governor, legislature, and state departments and agencies on, and assist in the development and implementation of, cooperative policies, programs, and procedures focusing on artificial intelligence;
  - (4) To establish advisory committees on special subjects or projects;
- (5) To submit a report to the legislature, no later than December 1, 2024, that includes:

- (a) A summary of the council's findings after reviewing the automated decision systems inventory reports submitted pursuant to section 67-9704, Idaho Code;
- (b) A summary of the recommendations of any relevant national bodies on artificial intelligence systems in state government;
- (c) An assessment of the impact of using artificial intelligence systems in state government on the liberty, finances, livelihood, and privacy interests of the residents of this state;
- (d) Recommendations of any policies necessary to:

- (i) Protect the privacy and interests of the residents of this state from any diminution caused by employment of artificial intelligence systems by state government;
- (ii) Ensure that the residents of this state are free from unfair discrimination caused or compounded by the employment of artificial intelligence systems in state government; and
- (iii) Promote workforce knowledge of artificial intelligence technology and the development of ethical artificial intelligence systems in state government;
- (e) Recommendations for any legislation to support proposed policies or other suggested activities relevant to the recommendations outlined pursuant to paragraph (d) of this subsection; and
- (f) Any other information that the council considers relevant; and
- (6) To make bylaws for its own governance and procedure consistent with the laws of this state.
- 67-9704. AUTOMATED DECISION SYSTEMS INVENTORY REPORT. (1) No later than October 1, 2024, each agency in the executive and legislative branches of state government using money appropriated to the agency by this state shall submit an inventory report of all automated decision systems that are being developed, employed, or procured by the agency. For each automated decision system, the inventory report must include a description of:
  - (a) The name and vendor of the automated decision system, if any;
  - (b) The automated decision system's general capabilities, including:
    - (i) Reasonably foreseeable capabilities outside the scope of the agency's proposed use; and
    - (ii) Whether the automated decision system is used or may be used for independent decision-making powers and the impact of those decisions on the residents of this state; and
  - (c) The types of data inputs that the technology uses;
  - (d) How the data described in paragraph (c) of this subsection is generated, collected, and processed;
  - (e) The types of data the automated decision system is reasonably likely to generate;
  - (f) Whether the automated decision system has been tested by an independent third party, has a known bias, or is untested for bias;
  - (g) The purpose and proposed use of the automated decision system, including:
    - (i) The decisions the automated decision system will be used to make or support;

- (ii) Whether the automated decision system is an automated final decision system or an automated support decision system; and
- (iii) The automated decision system's intended benefits, including any data or research relevant to the outcome of those results;
- (h) How automated decision system data is securely stored and processed and whether the agency intends to share access to the automated decision system or data from that automated decision system with any other entity, and why; and
- (i) The information technology fiscal impacts of the automated decision system, including:
  - (i) Initial acquisition costs and ongoing operating costs, such as maintenance, licensing, personnel, legal compliance, use auditing, data retention, and security costs;
  - (ii) Any cost savings that would be achieved through the use of the technology; and
  - (iii) Any current or potential sources of funding, including any subsidies or free products being offered by vendors or governmental entities.
- (2) No later than September 1, 2024, the council shall prescribe the form, contents, and manner of submission of the automated decision systems inventory report required pursuant to this section.
- (3) Each agency shall submit the report required pursuant to this section to the council and the standing committees of the senate and house of representatives with primary jurisdiction over state agency information technology.
- 67-9705. APPOINTMENT OF COUNCIL MEMBERS AND MEETINGS. (1) As soon as practicable after July 1, 2024, but no later than August 1, 2024, the appropriate appointing authorities shall appoint the members to the artificial intelligence advisory council as required by section 67-9702, Idaho Code.
- (2) The committee shall meet at least twice a year and may be called for special meetings by the cochairs of the committee. Six (6) members shall constitute a quorum. Members of the committee shall be compensated as provided by the citizens' committee on legislative compensation in the same manner as interim legislative meetings, which compensation shall be paid from the legislative account.
- (3) Notwithstanding any other provision of law to the contrary, the committee, acting through the cochairs, may utilize staff and resources within state government.
- 67-9706. SUNSET. The provisions of this chapter shall be null, void, and of no force and effect on and after January 1, 2027.
- SECTION 2. An emergency existing therefor, which emergency is hereby declared to exist, this act shall be in full force and effect on and after July 1, 2024.