SENATE BILL 818

By: **Senators Hester, Gile, Augustine, Elfreth, Ellis, Feldman, Ferguson, Jackson, Lam, Rosapepe, Smith, Waldstreicher, West, ~~and Zucker~~ Zucker, Brooks, Lewis Young, Simonaire, M. Washington, and Watson**

Introduced and read first time: February 2, 2024
Assigned to: Education, Energy, and the Environment

Committee Report: Favorable with amendments
Senate action: Adopted
Read second time: February 29, 2024

CHAPTER _____

1 AN ACT concerning

2 **Information Technology – Artificial Intelligence – Policies and Procedures**
3 **(Artificial Intelligence Governance Act of 2024)**

4 FOR the purpose of requiring each unit of State government to conduct a certain annual
5   data inventory, a certain ~~annual~~ inventory of systems that employ artificial
6   intelligence, and a certain impact assessment on or before a certain date; ~~requiring~~
7   <u>prohibiting</u> the Department of Information Technology <u>from making certain</u>
8   <u>information publicly available under certain circumstances</u> ~~to conduct ongoing~~
9   ~~monitoring of certain systems under certain circumstances~~; requiring the
10   Department of Information Technology to adopt policies and procedures concerning
11   the development, procurement, ~~implementation~~ <u>deployment</u>, use, and assessment of
12   systems that employ artificial intelligence by units of State government; prohibiting
13   a unit of State government from ~~implementing~~ <u>deploying</u> or using a system that
14   employs artificial intelligence under certain circumstances beginning on a certain
15   date; <u>requiring a unit of State government to conduct certain regular impact</u>
16   <u>assessments under certain circumstances; exempting certain public institutions of</u>
17   <u>higher education from certain provisions;</u> establishing the Governor's Artificial
18   Intelligence Subcabinet of the Governor's Executive Council; establishing
19   competitive proof of concept procurement as a formal competitive procurement
20   method for the procurement of certain products and services; exempting certain
21   competitive proof of concept procurements from oversight by the Board of Public
22   Works; requiring the Department of General Services, in consultation with the
23   Department of Information Technology, to develop certain policies and procedures

1   for the development and implementation of competitive proof of concept
2   procurements; <u>requiring the Subcabinet to develop a certain roadmap;</u> and generally
3   relating to the use of artificial intelligence by units of State government.

4   BY repealing and reenacting, without amendments,
5   Article – State Finance and Procurement
6   Section 3.5–101(a), (c), (d), and (f)
7   Annotated Code of Maryland
8   (2021 Replacement Volume and 2023 Supplement)

9   BY repealing and reenacting, with amendments,
10   Article – State Finance and Procurement
11   Section 3.5–301, 3.5–303(a), and 12–101
12   Annotated Code of Maryland
13   (2021 Replacement Volume and 2023 Supplement)

14   BY adding to
15   Article – State Finance and Procurement
16   Section 3.5–318; 3.5–801 through ~~3.5–805~~ <u>3.5–806</u> to be under the new subtitle
17   "Subtitle 8. Artificial Intelligence"; and 13–116
18   Annotated Code of Maryland
19   (2021 Replacement Volume and 2023 Supplement)

20   Preamble

21   WHEREAS, Artificial intelligence is transforming society and work, and the pace of
22   that change will present new opportunities and risks for the State's residents, workers, and
23   economy; and

24   WHEREAS, The State must ensure the responsible, ethical, beneficial, and
25   trustworthy use of artificial intelligence in State government; and

26   WHEREAS, The State is home to a rich and growing artificial intelligence ecosystem
27   of academic, industry, government, and civil society experts, researchers, builders,
28   organizers, and stakeholders; and

29   WHEREAS, To foster an environment for innovation while respecting individuals,
30   employees, and civil rights, as artificial intelligence technologies are developed and evolve,
31   the technologies should be analyzed and monitored by government officials, industry
32   experts, consumer protection advocates, and other stakeholders; and

33   WHEREAS, Given the rapid rate of change in artificial intelligence technologies and
34   industry, the State must chart a principled yet adaptable, pragmatic path forward, so that
35   the technologies' benefits can be confidently harnessed on behalf of Marylanders and in
36   service of the Governor's mission to Leave No One Behind; and

1   WHEREAS, Leaders across State government share a common interest in
2   establishing effective artificial intelligence governance and are committed to working
3   together to develop the legal and policy framework for its responsible use in the State; and

4   WHEREAS, Automated systems should be safe and effective, developed with
5   consultation from diverse communities, stakeholders, and domain experts to identify
6   concerns, risks, and potential impacts of the systems; and

7   WHEREAS, Designers, developers, and deployers of automated systems should take
8   proactive and continuous measures to protect individuals and communities from
9   algorithmic discrimination and to use and design systems in an equitable way; and

10   WHEREAS, Designers, developers, and deployers of automated systems should seek
11   permission and respect decisions regarding collection, use, access, transfer, and deletion of
12   data in appropriate ways and to the greatest extent possible; where not possible, alternative
13   privacy by design safeguards should be used; and

14   WHEREAS, Designers, developers, and deployers of automated systems should
15   provide generally accessible plain language documentation including clear descriptions of
16   the overall system functioning and the role automation plays, notice that such systems are
17   in use, the individual or organization responsible for the system, and explanations of
18   outcomes that are clear, timely, and accessible; and

19   WHEREAS, Designers, developers, and deployers of automated systems should
20   consider the specific types of actions for which a human alternative is appropriate,
21   commensurate with the magnitude of the action and risk of harm, along with the extent to
22   which a human alternative would be beneficial to individuals and the public interest; now,
23   therefore,

24   SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
25   That the Laws of Maryland read as follows:

26   **Article – State Finance and Procurement**

27   3.5–101.

28   (a)   In this title the following words have the meanings indicated.

29   (c)   "Department" means the Department of Information Technology.

30   (d)   "Secretary" means the Secretary of Information Technology.

31   (f)   "Unit of State government" means an agency or unit of the Executive Branch
32   of State government.

33   3.5–301.

1   (a)   In this subtitle the following words have the meanings indicated.

2   **(B)   "ARTIFICIAL INTELLIGENCE" HAS THE MEANING STATED IN § 3.5–801**
3 **OF THIS TITLE.**

4   **[(b)] (C)**   "Cybersecurity" means processes or capabilities wherein systems,
5 communications, and information are protected and defended against damage,
6 unauthorized use or modification, and exploitation.

7   **[(c)] (D)**   "Cybersecurity strategy" means a vision, a plan of action, or guiding
8 principles.

9   **[(d)] (E)**   (1)   "Development" means all expenditures for a new information
10 technology system or an enhancement to an existing system including system:

11   (i)   planning;

12   (ii)   creation;

13   (iii)   installation;

14   (iv)   testing; and

15   (v)   initial training.

16   (2)   "Development" does not include:

17   (i)   ongoing operating costs, software or hardware maintenance,
18 routine upgrades, or modifications that merely allow for a continuation of the existing level
19 of functionality; or

20   (ii)   expenditures made after a new or enhanced system has been
21 legally accepted by the user and is being used for the business process for which it was
22 intended.

23   **[(e)] (F)**   "Fund" means the Major Information Technology Development Project
24 Fund.

25   **[(f)] (G)**   "Information technology" means all electronic information processing,
26 including:

27   (1)   maintenance;

28   (2)   telecommunications;

29   (3)   hardware;

1   (4)   software; and

2   (5)   associated services.

3   **[**(g)**] (H)**   "Information technology services" means information provided by
4 electronic means by or on behalf of a unit of State government.

5   **[**(h)**] (I)**   "Major information technology development project" means any
6 information technology development project that meets one or more of the following
7 criteria:

8   (1)   the estimated total cost of development equals or exceeds $1,000,000;

9   (2)   the project is undertaken to support a critical business function
10 associated with the public health, education, safety, or financial well–being of the citizens
11 of Maryland; or

12   (3)   the Secretary determines that the project requires the special attention
13 and consideration given to a major information technology development project due to:

14   (i)   the significance of the project's potential benefits or risks;

15   (ii)   the impact of the project on the public or local governments;

16   (iii)   the public visibility of the project; or

17   (iv)   other reasons as determined by the Secretary.

18   **[**(i)**] (J)**   "Master plan" means the statewide information technology master plan
19 and statewide cybersecurity strategy.

20   **[**(j)**] (K)**   "Nonvisual access" means the ability, through keyboard control,
21 synthesized speech, Braille, or other methods not requiring sight to receive, use, and
22 manipulate information and operate controls necessary to access information technology in
23 accordance with standards adopted under § 3.5–303(b) of this subtitle.

24   **[**(k)**] (L)**   "Resource sharing" means the utilization of a State resource by private
25 industry in exchange for the provision to the State of a communication service or other
26 consideration.

27   **[**(l)**] (M)**   "Systems development life cycle plan" means a plan that defines all
28 actions, functions, or activities to be performed by a unit of State government in the
29 definition, planning, acquisition, development, testing, implementation, operation,
30 enhancement, and modification of information technology systems.

1   3.5–303.

2   (a)   The Secretary is responsible for carrying out the following duties:

3   (1)   developing, maintaining, revising, and enforcing information
4   technology policies, procedures, and standards;

5   (2)   providing technical assistance, advice, and recommendations to the
6   Governor and any unit of State government concerning information technology matters;

7   (3)   reviewing the annual project plan for each unit of State government to
8   make information and services available to the public over the Internet;

9   (4)   developing and maintaining a statewide information technology master
10   plan that will:

11   (i)   centralize the management and direction of information
12   technology policy within the Executive Branch of State government under the control of the
13   Department;

14   (ii)   include all aspects of State information technology including
15   telecommunications, security, data processing, and information management;

16   (iii)   consider interstate transfers as a result of federal legislation and
17   regulation;

18   (iv)   ensure that the State information technology plan and related
19   policies and standards are consistent with State goals, objectives, and resources, and
20   represent a long–range vision for using information technology to improve the overall
21   effectiveness of State government;

22   (v)   include standards to assure nonvisual access to the information
23   and services made available to the public over the Internet; and

24   (vi)   allows a State agency to maintain the agency's own information
25   technology unit that provides for information technology services to support the mission of
26   the agency;

27   (5)   developing and maintaining a statewide cybersecurity strategy that
28   will:

29   (i)   centralize the management and direction of cybersecurity
30   strategy within the Executive Branch of State government under the control of the
31   Department; and

32   (ii)   serve as the basis for budget allocations for cybersecurity
33   preparedness for the Executive Branch of State government;

1   (6)   adopting by regulation and enforcing nonvisual access standards to be
2   used in the procurement of information technology services by or on behalf of units of State
3   government in accordance with subsection (c) of this section;

4   (7)   in consultation with the Maryland Cybersecurity Coordinating Council,
5   advising and overseeing a consistent cybersecurity strategy for units of State government,
6   including institutions under the control of the governing boards of the public institutions
7   of higher education;

8   (8)   advising and consulting with the Legislative and Judicial branches of
9   State government regarding a cybersecurity strategy;

10   (9)   in consultation with the Maryland Cybersecurity Coordinating Council,
11   developing guidance on consistent cybersecurity strategies for counties, municipal
12   corporations, school systems, and all other political subdivisions of the State;

13   (10)   upgrading information technology and cybersecurity–related State
14   government infrastructure; **[and]**

15   (11)   annually evaluating:

16   (i)   the feasibility of units of State government providing public
17   services using artificial intelligence, machine learning, commercial cloud computer
18   services, device–as–a–service procurement models, and other emerging technologies; and

19   (ii)   the development of data analytics capabilities to enable
20   data–driven policymaking by units of State government**; AND**

21   **(12)   CONDUCTING INVENTORIES** ~~AND ONGOING ASSESSMENTS~~ **OF**
22   **SYSTEMS THAT EMPLOY ARTIFICIAL INTELLIGENCE THAT ARE USED BY A UNIT OF**
23   **STATE GOVERNMENT AS REQUIRED UNDER § 3.5–318 OF THIS SUBTITLE.**

24   **3.5–318.**

25   **(A)   ON OR BEFORE DECEMBER 1, 2024, AND ANNUALLY THEREAFTER,**
26   **EACH UNIT OF STATE GOVERNMENT SHALL CONDUCT A DATA INVENTORY THAT**
27   **IDENTIFIES DATA THAT MEETS THE CRITERIA ESTABLISHED BY THE CHIEF DATA**
28   **OFFICER AND THAT IS:**

29   **(1)   (I)   NECESSARY FOR THE OPERATION OF THE UNIT; OR**

30   **(II)   OTHERWISE REQUIRED TO BE COLLECTED:**

31   **1.   AS A CONDITION TO RECEIVE FEDERAL FUNDS; OR**

1   2.   BY FEDERAL OR STATE LAW; AND

2   (2)   IN A FORM PRESCRIBED BY THE CHIEF DATA OFFICER,
3   INCLUDING WHEN THE DATA IS USED IN ARTIFICIAL INTELLIGENCE.

4   (B)   THE DEPARTMENT SHALL DEVELOP AND PUBLISH GUIDANCE ON THE
5   POLICIES AND PROCEDURES FOR THE INVENTORY.

6   SUBTITLE 8. ARTIFICIAL INTELLIGENCE.

7   3.5–801.

8   (A)   IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
9   INDICATED.

10   (B)   (1)   "ALGORITHMIC DECISION SYSTEM" MEANS A COMPUTATIONAL
11 PROCESS THAT FACILITATES DECISION MAKING.

12   (2)   "ALGORITHMIC DECISION SYSTEM" INCLUDES DECISIONS
13 DERIVED FROM MACHINES, STATISTICS, FACIAL RECOGNITION, AND DECISIONS ON
14 PAPER.

15   (C)   "ARTIFICIAL INTELLIGENCE" MEANS A MACHINE–BASED SYSTEM THAT:

16   (1)   CAN, FOR A GIVEN SET OF HUMAN–DEFINED OBJECTIVES, MAKE
17 PREDICTIONS, RECOMMENDATIONS, OR DECISIONS INFLUENCING REAL OR VIRTUAL
18 ENVIRONMENTS;

19   (2)   USES MACHINE AND HUMAN–BASED INPUTS TO PERCEIVE REAL
20 AND VIRTUAL ENVIRONMENTS AND ABSTRACTS THOSE PERCEPTIONS INTO MODELS
21 THROUGH ANALYSIS IN AN AUTOMATED MANNER; AND

22   (3)   USES MODEL INFERENCE TO FORMULATE OPTIONS FOR
23 INFORMATION OR ACTION.

24   (D)   "HIGH–RISK" MEANS AN ACT THAT IS LIKELY TO:

25   (1)   RESULT IN ANY UNLAWFUL DISCRIMINATION;

26   (2)   HAVE AN UNLAWFUL DISPARATE IMPACT ON ANY INDIVIDUAL OR
27 GROUP OF INDIVIDUALS ON THE BASIS OF ANY ACTUAL OR PERCEIVED
28 CHARACTERISTIC; OR

1   (3)   ~~HAVE A NEGATIVE IMPACT ON THE HEALTH, SAFETY, OR~~
2   ~~WELL–BEING OF AN INDIVIDUAL.~~

3   ~~(E)~~ (D)   "IMPACT ASSESSMENT" MEANS A DOCUMENTED RISK–BASED
4   EVALUATION OF A SYSTEM THAT EMPLOYS RIGHTS–IMPACTING OR
5   SAFETY–IMPACTING ARTIFICIAL INTELLIGENCE.

6   (E)   "PUBLIC SENIOR HIGHER EDUCATION INSTITUTION" MEANS:

7   (1)   THE CONSTITUENT INSTITUTIONS OF THE UNIVERSITY SYSTEM
8   OF MARYLAND AND THE UNIVERSITY OF MARYLAND CENTER FOR
9   ENVIRONMENTAL SCIENCE;

10   (2)   MORGAN STATE UNIVERSITY; OR

11   (3)   ST. MARY'S COLLEGE OF MARYLAND.

12   (F)   "RIGHTS–IMPACTING ARTIFICIAL INTELLIGENCE" MEANS ARTIFICIAL
13 INTELLIGENCE WHOSE OUTPUT SERVES AS A BASIS FOR DECISION OR ACTION THAT
14 HAS A LEGAL, MATERIAL, OR SIMILARLY SIGNIFICANT EFFECT ON AN INDIVIDUAL'S
15 OR COMMUNITY'S:

16   (1)   CIVIL RIGHTS, CIVIL LIBERTIES, OR PRIVACY, INCLUDING
17 FREEDOM OF SPEECH, VOTING, HUMAN AUTONOMY, AND PROTECTIONS FROM
18 DISCRIMINATION, EXCESSIVE PUNISHMENT, AND UNLAWFUL SURVEILLANCE;

19   (2)   EQUAL OPPORTUNITIES, INCLUDING EQUITABLE ACCESS TO
20 EDUCATION, HOUSING, CREDIT, EMPLOYMENT, AND OTHER SITUATIONS WHERE
21 CIVIL RIGHTS AND EQUAL OPPORTUNITY PROTECTIONS APPLY; OR

22   (3)   ACCESS TO CRITICAL RESOURCES OR SERVICES, INCLUDING
23 HEALTH CARE, FINANCIAL SERVICES, SOCIAL SERVICES, TRANSPORTATION,
24 NONDECEPTIVE INFORMATION ABOUT GOODS AND SERVICES, AND GOVERNMENT
25 BENEFITS OR PRIVILEGES.

26   (G)   "SAFETY–IMPACTING ARTIFICIAL INTELLIGENCE" MEANS ARTIFICIAL
27 INTELLIGENCE THAT HAS THE POTENTIAL TO MEANINGFULLY IMPACT THE SAFETY
28 OF INDIVIDUALS AND COMMUNITIES REGARDING:

29   (1)   HUMAN LIFE OR WELL–BEING, INCLUDING LOSS OF LIFE, SERIOUS
30 INJURY, BODILY HARM, BIOLOGICAL OR CHEMICAL WEAPONS, OCCUPATIONAL
31 HAZARDS, HARASSMENT OR ABUSE, OR MENTAL HEALTH;

1   **(2)**   THE CLIMATE OR THE ENVIRONMENT, INCLUDING IRREVERSIBLE
2 OR SIGNIFICANT ENVIRONMENTAL DAMAGE;

3   **(3)**   CRITICAL INFRASTRUCTURE, INCLUDING THE INFRASTRUCTURE
4 FOR VOTING AND PROTECTING THE INTEGRITY OF ELECTIONS; OR

5   **(4)**   STRATEGIC ASSETS OR RESOURCES, INCLUDING INTELLECTUAL
6 PROPERTY.

7 **3.5–802.**

8   **(A)**   THIS SUBTITLE APPLIES TO EACH PUBLIC SENIOR HIGHER EDUCATION
9 INSTITUTION AND BALTIMORE CITY COMMUNITY COLLEGE IN A PARTNERSHIP FOR
10 THE DEVELOPMENT, PROCUREMENT, DEPLOYMENT, OR USE OF ARTIFICIAL
11 INTELLIGENCE WITH A UNIT OF STATE GOVERNMENT.

12   **(B)**   EXCEPT AS PROVIDED IN § 3.5–804(D) OF THIS SUBTITLE, THIS
13 SUBTITLE DOES NOT APPLY TO ARTIFICIAL INTELLIGENCE DEPLOYED BY PUBLIC
14 SENIOR HIGHER EDUCATION INSTITUTIONS OR BALTIMORE CITY COMMUNITY
15 COLLEGE USED SOLELY FOR A RESEARCH OR ACADEMIC PURPOSE, INCLUDING IN A
16 PARTNERSHIP FOR THE DEVELOPMENT, PROCUREMENT, DEPLOYMENT, OR USE OF
17 ARTIFICIAL INTELLIGENCE WITH A UNIT OF STATE GOVERNMENT.

18   **(C)**   A PUBLIC SENIOR HIGHER EDUCATION INSTITUTION OR BALTIMORE
19 CITY COMMUNITY COLLEGE SHALL ESTABLISH POLICIES AND PROCEDURES THAT
20 ARE FUNCTIONALLY COMPATIBLE WITH THE POLICIES AND PROCEDURES ADOPTED
21 UNDER § 3.5–804(A) OF THIS SUBTITLE FOR ARTIFICIAL INTELLIGENCE DEPLOYED
22 FOR AN OPERATIONS–RELATED PURPOSE.

23 **3.5–803.**

24   **(A)**   ON OR BEFORE DECEMBER 1, ~~2024~~ 2025, AND ~~ANNUALLY~~ REGULARLY
25 THEREAFTER, EACH UNIT OF STATE GOVERNMENT SHALL:

26   **(1)**   CONDUCT AN INVENTORY OF SYSTEMS THAT EMPLOY
27 RIGHTS–IMPACTING OR SAFETY–IMPACTING ARTIFICIAL INTELLIGENCE; AND

28   **(2)**   PROVIDE THE INVENTORY TO THE DEPARTMENT IN A FORMAT
29 REQUIRED BY THE DEPARTMENT.

30   **(B)**   FOR EACH SYSTEM, THE INVENTORY REQUIRED BY THIS SECTION SHALL
31 INCLUDE:

32   **(1)**   THE NAME OF THE SYSTEM;

1   **(2)**   THE VENDOR THAT PROVIDED THE SYSTEM, IF APPLICABLE;

2   **(3)**   A DESCRIPTION OF THE CAPABILITIES OF THE SYSTEM;

3   **(4)**   A STATEMENT OF THE PURPOSE AND THE INTENDED USES OF THE
4 SYSTEM;

5   **(5)**   WHETHER THE SYSTEM UNDERWENT AN IMPACT ASSESSMENT
6 PRIOR TO BEING ~~IMPLEMENTED~~ DEPLOYED;

7   **(6)**   WHETHER THE SYSTEM IS USED TO INDEPENDENTLY MAKE A
8 DECISION OR JUDGMENT OR TO INFORM OR SUPPORT A DECISION OR JUDGMENT
9 DETERMINED BY THE DEPARTMENT TO INVOLVE ~~A HIGH–RISK ACTION~~
10 RIGHTS–IMPACTING OR SAFETY–IMPACTING ARTIFICIAL INTELLIGENCE; AND

11   **(7)**   A ~~DETERMINATION OF THE RISK THAT USE OF A SYSTEM MAY BE~~
12 ~~HIGH–RISK~~ SUMMARY OF THE RESULTS OF THE MOST RECENT IMPACT ASSESSMENT.

13   **(C)**   THE DEPARTMENT SHALL MAKE ~~EACH INVENTORY REQUIRED BY THIS~~
14 ~~SECTION~~ AN AGGREGATED STATEWIDE INVENTORY PUBLICLY AVAILABLE ON ITS
15 WEBSITE.

16   **(D)**   **(1)**   THE DEPARTMENT MAY NOT MAKE PUBLICLY AVAILABLE ON THE
17 DEPARTMENT'S WEBSITE INFORMATION FROM THE INVENTORIES REQUIRED BY
18 THIS SECTION THAT RELATE TO THE SAFETY AND SECURITY OF STATE SYSTEMS IF
19 THE PUBLICATION OF THE INFORMATION IS LIKELY TO COMPROMISE THE SECURITY
20 OR INTEGRITY OF THE SYSTEM.

21   **(2)**   ON REQUEST, THE DEPARTMENT SHALL PROVIDE TO THE
22 GOVERNOR, MEMBERS OF THE GENERAL ASSEMBLY, AND LAW ENFORCEMENT THE
23 INFORMATION DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION.

24   **(E)**   **(1)**   ON OR BEFORE ~~FEBRUARY 1, 2025,~~ DECEMBER 31, 2025, EACH
25 UNIT OF STATE GOVERNMENT SHALL CONDUCT AN IMPACT ASSESSMENT OF A
26 SYSTEM PROCURED ON OR AFTER FEBRUARY 1, 2025, THAT INVOLVES ~~A~~
27 ~~HIGH–RISK ACTION~~ RIGHTS–IMPACTING OR SAFETY–IMPACTING ARTIFICIAL
28 INTELLIGENCE.

29   **(2)**   ON OR BEFORE FEBRUARY 1, 2027, EACH UNIT OF STATE
30 GOVERNMENT SHALL CONDUCT AN IMPACT ASSESSMENT OF A SYSTEM PROCURED
31 BEFORE FEBRUARY 1, 2025, THAT INVOLVES RIGHTS–IMPACTING OR
32 SAFETY–IMPACTING ARTIFICIAL INTELLIGENCE.

1   ~~3.5–803.~~ 3.5–804.

2   (A)   ON OR BEFORE DECEMBER 1, 2024, THE DEPARTMENT SHALL ADOPT
3   POLICIES AND PROCEDURES CONCERNING THE DEVELOPMENT, PROCUREMENT,
4   ~~IMPLEMENTATION~~ DEPLOYMENT, USE, AND ONGOING ASSESSMENT OF SYSTEMS
5   THAT   EMPLOY   RIGHTS–IMPACTING   OR   SAFETY–IMPACTING   ARTIFICIAL
6   INTELLIGENCE BY A UNIT OF STATE GOVERNMENT.

7   (B)   THE POLICIES AND PROCEDURES REQUIRED BY SUBSECTION (A) OF
8   THIS SECTION SHALL:

9   (1)   SUBJECT TO ANY OTHER APPLICABLE LAW, GOVERN THE
10   PROCUREMENT, ~~IMPLEMENTATION~~ DEPLOYMENT, AND ONGOING ASSESSMENT OF
11   SYSTEMS THAT EMPLOY RIGHTS–IMPACTING OR SAFETY–IMPACTING ARTIFICIAL
12   INTELLIGENCE BY A UNIT OF STATE GOVERNMENT;

13   ~~(2)   BE SUFFICIENT TO ENSURE THAT THE USE OF ANY SYSTEM THAT~~
14   ~~EMPLOYS ARTIFICIAL INTELLIGENCE BY ANY UNIT OF STATE GOVERNMENT IS NOT~~
15   ~~HIGH–RISK;~~

16   ~~(3)   REQUIRE EACH UNIT OF STATE GOVERNMENT TO ASSESS THE~~
17   ~~LIKELY IMPACT OF ANY SYSTEM THAT EMPLOYS ARTIFICIAL INTELLIGENCE BEFORE~~
18   ~~IMPLEMENTING THE SYSTEM;~~

19   (2)   DEFINE THE CRITERIA FOR AN INVENTORY OF SYSTEMS THAT
20   EMPLOY RIGHTS–IMPACTING OR SAFETY–IMPACTING ARTIFICIAL INTELLIGENCE;

21   (3)   GOVERN THE PROCUREMENT, DEPLOYMENT, USE, AND ONGOING
22   ASSESSMENT   OF   SYSTEMS   THAT   EMPLOY   RIGHTS–IMPACTING   OR
23   SAFETY–IMPACTING   ARTIFICIAL   INTELLIGENCE   FOR   AN   OPERATIONS–RELATED
24   PURPOSE BY A UNIT OF STATE GOVERNMENT IN PARTNERSHIP WITH A PUBLIC
25   SENIOR HIGHER EDUCATION INSTITUTION OR WITH BALTIMORE CITY COMMUNITY
26   COLLEGE;

27   (4)   REQUIRE THE DEPARTMENT TO:

28   (I)   NOTIFY AN INDIVIDUAL OR A GROUP OF INDIVIDUALS
29   DETERMINED TO HAVE BEEN NEGATIVELY IMPACTED BY A SYSTEM THAT EMPLOYS
30   RIGHTS–IMPACTING OR SAFETY–IMPACTING ARTIFICIAL INTELLIGENCE; AND

31   (II)   PROVIDE GUIDANCE TO AN INDIVIDUAL OR A GROUP OF
32   INDIVIDUALS DETERMINED TO HAVE BEEN NEGATIVELY IMPACTED BY A SYSTEM
33   THAT   EMPLOYS   RIGHTS–IMPACTING   OR   SAFETY–IMPACTING   ARTIFICIAL
34   INTELLIGENCE ON AVAILABLE OPTIONS TO OPT OUT OF THE SYSTEM; AND

1   **(5)** PROVIDE GUIDANCE TO UNITS OF STATE GOVERNMENT ON
2 PROCUREMENT OF A SYSTEM THAT EMPLOYS <u>RIGHTS–IMPACTING OR</u>
3 <u>SAFETY–IMPACTING</u> ARTIFICIAL INTELLIGENCE THAT ENSURES DATA PRIVACY AND
4 COMPLIANCE WITH APPLICABLE STATUTES AND REGULATIONS.

5   **(C)** THE DEPARTMENT SHALL MAKE THE POLICIES AND PROCEDURES
6 REQUIRED BY <u>SUBSECTION (A) OF</u> THIS SECTION PUBLICLY AVAILABLE ON ITS
7 WEBSITE.

8   <u>**(D)** EACH PUBLIC SENIOR HIGHER EDUCATION INSTITUTION AND</u>
9 <u>BALTIMORE CITY COMMUNITY COLLEGE SHALL SUBMIT TO THE DEPARTMENT AN</u>
10 <u>ANNUAL REPORT ON ARTIFICIAL INTELLIGENCE PROCURED AND DEPLOYED.</u>

11 ~~3.5–804.~~ <u>3.5–805.</u>

12   <u>**(A)**</u> BEGINNING ~~JULY~~ <u>JANUARY</u> 1, 2025, A UNIT OF STATE GOVERNMENT
13 MAY NOT PROCURE OR ~~IMPLEMENT A~~ <u>DEPLOY A NEW</u> SYSTEM THAT EMPLOYS
14 ARTIFICIAL INTELLIGENCE UNLESS THE SYSTEM COMPLIES WITH THE POLICIES AND
15 PROCEDURES ADOPTED UNDER § ~~3.5–803~~ <u>3.5–804</u> OF THIS SUBTITLE.

16   <u>**(B)** A UNIT OF STATE GOVERNMENT THAT EMPLOYS RIGHTS–IMPACTING OR</u>
17 <u>SAFETY–IMPACTING ARTIFICIAL INTELLIGENCE SHALL CONDUCT REGULAR IMPACT</u>
18 <u>ASSESSMENTS, AS DETERMINED BY THE GOVERNOR'S ARTIFICIAL INTELLIGENCE</u>
19 <u>SUBCABINET OF THE GOVERNOR'S EXECUTIVE COUNCIL.</u>

20 ~~3.5–805.~~ <u>3.5–806.</u>

21   **(A)** THERE IS A GOVERNOR'S ARTIFICIAL INTELLIGENCE SUBCABINET OF
22 THE GOVERNOR'S EXECUTIVE COUNCIL.

23   **(B)** THE PURPOSE OF THE SUBCABINET IS TO FACILITATE AND ENHANCE
24 COOPERATION AMONG UNITS OF STATE GOVERNMENT, IN CONSULTATION WITH
25 ACADEMIC INSTITUTIONS AND INDUSTRIES UTILIZING ARTIFICIAL INTELLIGENCE.

26   **(C)** THE SUBCABINET CONSISTS OF THE FOLLOWING MEMBERS:

27   **(1)** THE SECRETARY, OR THE SECRETARY'S DESIGNEE;

28   **(2)** THE SECRETARY OF BUDGET AND MANAGEMENT, OR THE
29 SECRETARY'S DESIGNEE;

30   **(3)** THE SECRETARY OF GENERAL SERVICES, OR THE SECRETARY'S
31 DESIGNEE;

1   **(4)**   THE SECRETARY OF LABOR, OR THE SECRETARY'S DESIGNEE;

2   **(5)**   THE SECRETARY OF COMMERCE, OR THE SECRETARY'S
3   DESIGNEE;

4   **(6)**   THE DIRECTOR OF THE GOVERNOR'S OFFICE OF HOMELAND
5   SECURITY, OR THE DIRECTOR'S DESIGNEE;

6   **(7)**   THE CHIEF PRIVACY OFFICER, OR THE CHIEF PRIVACY
7   OFFICER'S DESIGNEE;

8   **(8)**   THE CHIEF DATA OFFICER, OR THE CHIEF DATA OFFICER'S
9   DESIGNEE;

10   **(9)**   THE CHIEF INFORMATION SECURITY OFFICER, OR THE CHIEF
11   INFORMATION SECURITY OFFICER'S DESIGNEE;

12   **(10)** THE GOVERNOR'S SENIOR ADVISOR FOR RESPONSIBLE
13   ARTIFICIAL INTELLIGENCE, OR THE SENIOR ADVISOR'S DESIGNEE; AND

14   **(11)** ANY OTHER MEMBER OF THE GOVERNOR'S EXECUTIVE COUNCIL,
15   APPOINTED BY THE GOVERNOR.

16   **(D)**   THE SECRETARY SHALL CHAIR THE SUBCABINET.

17   **(E)**   THE SUBCABINET SHALL:

18   **(1)**   DEVELOP STRATEGY, POLICY, AND MONITORING PROCESSES FOR
19   RESPONSIBLE AND PRODUCTIVE USE OF ARTIFICIAL INTELLIGENCE AND
20   ASSOCIATED DATA BY UNITS OF STATE GOVERNMENT;

21   **(2)**   OVERSEE THE STATE'S IMPLEMENTATION OF:

22   **(I)**   ARTIFICIAL INTELLIGENCE INVENTORY;

23   **(II)**   ~~DATA INVENTORY;~~

24   ~~(III)~~   ARTIFICIAL INTELLIGENCE IMPACT ASSESSMENTS;

25   ~~(IV)~~ **(III)** MONITORING OF ARTIFICIAL INTELLIGENCE
26   INVOLVING ~~A HIGH–RISK ACTION~~ RIGHTS–IMPACTING OR SAFETY–IMPACTING
27   ARTIFICIAL INTELLIGENCE; AND

(V) (IV) COMPLIANCE WITH STATE POLICIES AND PROCEDURES;

(3) SUPPORT ARTIFICIAL INTELLIGENCE AND DATA INNOVATION ACROSS UNITS OF STATE GOVERNMENT AND IN PRIVATE SECTOR ENTERPRISE BY:;

(I) IDENTIFYING AND PRIORITIZING BEST USES OF ARTIFICIAL INTELLIGENCE IN EACH UNIT OF STATE GOVERNMENT AND IN PRIVATE SECTOR ENTERPRISE;

(II) TESTING PROOFS OF CONCEPT OF PRIORITY ARTIFICIAL INTELLIGENCE USE IN PROTOTYPING;

(III) REDUCING BARRIERS TO THE RESPONSIBLE USE OF ARTIFICIAL INTELLIGENCE AND STATE DATA;

(IV) DEVELOPING SUCCESSFUL ARTIFICIAL INTELLIGENCE PILOTS INTO PRODUCTION; AND

(V) TRAINING AND WORKFORCE DEVELOPMENT;

(4) DEVELOP AND IMPLEMENT A COMPREHENSIVE ACTION PLAN FOR RESPONSIBLE AND PRODUCTIVE USE OF ARTIFICIAL INTELLIGENCE AND ASSOCIATED DATA BY UNITS OF STATE GOVERNMENT;

(5) ESTABLISH PARTNERSHIPS, MEMORANDA OF UNDERSTANDING, AND CONTRACTS TO SUPPORT THE AIMS OF THIS SECTION;

(6) PROMOTE ARTIFICIAL INTELLIGENCE KNOWLEDGE, SKILLS, AND TALENT IN STATE GOVERNMENT BY:

(I) IDENTIFYING AND OFFERING TRAINING PROGRAMS FOR STATE WORKERS ON THE USE OF ARTIFICIAL INTELLIGENCE AND PARTICULARLY GENERATIVE ARTIFICIAL INTELLIGENCE; AND

(II) EXPLORING WAYS TO PROVIDE EXTERNAL ARTIFICIAL INTELLIGENCE TALENT AN OPPORTUNITY TO SERVE THE STATE AND UNITS OF STATE GOVERNMENT IN TARGETED, SHORT-TERM PROJECTS, INCLUDING BY LEVERAGING INSTITUTIONS OF HIGHER EDUCATION OR INDUSTRY; AND

(7) IDENTIFY ARTIFICIAL INTELLIGENCE USE CASES AND BUILD FOUNDATIONAL INFRASTRUCTURE BY REQUIRING:

1   **(I)** THE DEPARTMENT TO EVALUATE RELEVANT
2 INFRASTRUCTURE TO SAFELY, SECURELY, AND EFFICIENTLY TEST ARTIFICIAL
3 INTELLIGENCE PROOFS OF CONCEPT AND PILOTS;

4   **(II)** THE DEPARTMENT OF GENERAL SERVICES, IN
5 CONSULTATION WITH THE DEPARTMENT, TO CREATE A MODEL FOR RUNNING AND
6 PROCURING ARTIFICIAL INTELLIGENCE PROOFS OF CONCEPT AND PILOTS, IN
7 ACCORDANCE WITH STATE LAWS, REGULATIONS, AND POLICIES; AND

8   **(III)** THE DEPARTMENT, IN CONSULTATION WITH THE
9 SUBCABINET, TO COORDINATE WITH AGENCIES TO PROVIDE SUPPORT IN
10 IDENTIFYING AND PRIORITIZING USE CASES AND EXECUTING PROOFS OF CONCEPT
11 AND PILOTS ALIGNED WITH THE GOVERNOR'S PRIORITIES.

12   **(F)**   THE GOVERNOR SHALL PROVIDE THE SUBCABINET WITH SUFFICIENT
13 RESOURCES TO PERFORM THE FUNCTIONS OF THIS SECTION.

14   ~~**(G)**   FOR EACH FISCAL YEAR, THE GOVERNOR MAY INCLUDE IN THE ANNUAL~~
15 ~~BUDGET BILL AN APPROPRIATION OF UP TO $3,000,000 FOR PARTNERSHIPS AND~~
16 ~~CONTRACTS TO SUPPORT THE FUNCTIONS REQUIRED IN THIS SECTION.~~

17 12–101.

18   (a)   This section does not apply to:

19   (1)   capital expenditures by the Department of Transportation or the
20 Maryland Transportation Authority, in connection with State roads, bridges, or highways,
21 as provided in § 12–202 of this title; **[or]**

22   (2)   procurements by the Department of General Services ~~**AND THE**~~
23 ~~**DEPARTMENT OF INFORMATION TECHNOLOGY**~~ for the purpose of modernizing
24 ~~**INFORMATION TECHNOLOGY AND**~~ cybersecurity infrastructure for the State valued
25 below $1,000,000**; OR**

26   **(3)**   COMPETITIVE PROOF OF CONCEPT PROCUREMENTS VALUED
27 BELOW **$1,000,000** MADE UNDER § 13–116 OF THIS ARTICLE.

28   (b)   (1)   The Board may control procurement by units.

29   (2)   To implement the provisions of this Division II, the Board may:

30   (i)   set policy;

1   (ii)   adopt regulations, in accordance with Title 10, Subtitle 1 of the
2 State Government Article; and

3   (iii)   establish internal operational procedures consistent with this
4 Division II.

5   (3)   The Board shall ensure that the regulations of the primary
6 procurement units provide for procedures that are consistent with this Division II and Title
7 13, Subtitle 4 of the State Personnel and Pensions Article and, to the extent the
8 circumstances of a particular type of procurement or a particular unit do not require
9 otherwise, are substantially the same.

10   (4)   The Board may delegate any of its authority that it determines to be
11 appropriate for delegation and may require prior Board approval for specified procurement
12 actions.

13   (5)   Except as limited by the Maryland Constitution, the Board may
14 exercise any control authority conferred on a primary procurement unit by this Division II
15 and, to the extent that its action conflicts with the action of the primary procurement unit,
16 the action of the Board shall prevail.

17   (c)   On or before December 1 each year, the Department of General Services shall
18 submit a report to the Board on procurements made under subsection (a)(2) of this section
19 that shall include for each procurement:

20   (1)   the purpose of the procurement;

21   (2)   the name of the contractor;

22   (3)   the contract amount;

23   (4)   the method of procurement utilized;

24   (5)   the number of bidders who bid on the procurement; and

25   (6)   the contract term.

26   **(D)   ON OR BEFORE DECEMBER 1 EACH YEAR, THE DEPARTMENT OF**
27 **GENERAL SERVICES SHALL SUBMIT A REPORT TO THE BOARD ON PROCUREMENTS**
28 **MADE UNDER SUBSECTION (A)(3) OF THIS SECTION THAT SHALL INCLUDE FOR EACH**
29 **PROCUREMENT:**

30   **(1)   THE PURPOSE OF THE PROCUREMENT;**

31   **(2)   THE NAME OF THE CONTRACTOR;**

1   **(3)   THE CONTRACT AMOUNT;**

2   **(4)   THE NUMBER OF PROPOSALS RECEIVED ON THE PROCUREMENT;**
3 **AND**

4   **(5)   THE CONTRACT TERM.**

5 **13–116.**

6   **(A)   IN THIS SECTION, "PROOF OF CONCEPT" MEANS A TEST, EVALUATION,**
7 **DEMONSTRATION, OR PILOT PROJECT OF A** ~~GOOD OR SERVICE~~ **GOOD, SERVICE, OR**
8 **TECHNOLOGY IN A REAL–WORLD ENVIRONMENT TO EVALUATE WHETHER THE** ~~GOOD~~
9 ~~OR SERVICE~~ **GOOD, SERVICE, OR TECHNOLOGY CAN BE SUCCESSFULLY DEPLOYED**
10 **AND IS BENEFICIAL TO THE STATE.**

11   **(B)   (1)   A COMPETITIVE PROOF OF CONCEPT PROCUREMENT IS A FORMAL**
12 **COMPETITIVE PROCUREMENT METHOD THAT MAY BE USED TO SOLICIT PROPOSALS**
13 **FOR THE CONDUCT OF A PROOF OF CONCEPT PRIOR TO FULL IMPLEMENTATION**
14 **WHEN THE HEAD OF A UNIT DETERMINES THE PROCESS TO BE APPROPRIATE AND IN**
15 **THE BEST INTERESTS OF THE UNIT, INCLUDING:**

16   **(I)   TESTING SOFTWARE–AS–A–SERVICE OR OFF–THE–SHELF**
17 **SOFTWARE;**

18   **(II)   TESTING NEW, INNOVATIVE PRODUCTS OR SERVICES; OR**

19   **(III)   TESTING A PRODUCT OR SERVICE CONCEPTUALIZED OR**
20 **CONCEIVED OF BY A UNIT OF STATE GOVERNMENT.**

21   **(2)   AFTER OBTAINING THE APPROVAL OF THE HEAD OF THE UNIT**
22 **AND BEFORE CONDUCTING A COMPETITIVE PROOF OF CONCEPT PROCUREMENT,**
23 **THE UNIT SHALL OBTAIN APPROVAL FROM THE SECRETARY OF INFORMATION**
24 **TECHNOLOGY, OR THE SECRETARY'S DESIGNEE.**

25   **(C)   (1)   A COMPETITIVE PROOF OF CONCEPT PROCUREMENT MAY BE**
26 **CONDUCTED THROUGH THE ISSUANCE OF A SOLICITATION BY ANY METHOD OF**
27 **PROCUREMENT AUTHORIZED UNDER THIS DIVISION II.**

28   **(2)   A COMPETITIVE PROOF OF CONCEPT PROCUREMENT**
29 **SOLICITATION SHALL INCLUDE A STATEMENT OF:**

30   **(I)   THE SCOPE OF WORK OR PROJECT DESCRIPTION,**
31 **INCLUDING THE INTENDED USE, QUANTITY, ESTIMATED TIME FRAME FOR THE**

1 PROOF OF CONCEPT, AND ANTICIPATED NUMBER OF PROOF OF CONCEPT AWARDS
2 THAT WILL BE MADE; AND

3   (II)   THE FACTORS, INCLUDING PRICE, THAT WILL BE USED IN
4 EVALUATING PROPOSALS AND THE RELATIVE IMPORTANCE OF EACH.

5   (3)   A SOLICITATION MAY BE DISTRIBUTED TO VENDORS KNOWN TO
6 OFFER GOODS OR SERVICES WITHIN THE SCOPE OF THE PROOF OF CONCEPT AND
7 SHALL, EXCEPT FOR PROCUREMENTS UNDER $15,000 NOT OTHERWISE REQUIRED
8 BY LAW TO BE POSTED, BE POSTED ON EMARYLAND MARKETPLACE ADVANTAGE, IN
9 ACCORDANCE WITH THE POLICIES AND PROCEDURES UNDER SUBSECTION (G) OF
10 THIS SECTION.

11   (D) AFTER RECEIPT OF PROPOSALS BUT BEFORE AWARD OF A
12 PROCUREMENT CONTRACT, A UNIT MAY:

13   (1)   CONDUCT DISCUSSIONS WITH AN OFFEROR TO ENSURE FULL
14 UNDERSTANDING OF:

15   (I)   THE REQUIREMENTS OF THE UNIT, AS SET FORTH IN THE
16 REQUEST FOR PROPOSALS; AND

17   (II)   THE PROPOSAL SUBMITTED BY THE OFFEROR; AND

18   (2)   REQUEST PRODUCT SAMPLES FOR TESTING BY THE UNIT OR A
19 DEMONSTRATION OF A PRODUCT OR SERVICE AND USE THESE SAMPLES OR
20 DEMONSTRATIONS IN ITS EVALUATION PROCESS.

21   (E)   A REQUEST FOR PRODUCT SAMPLES FOR TESTING OR DEMONSTRATION
22 MADE UNDER SUBSECTION (D)(2) OF THIS SECTION SHALL BE ISSUED TO ALL
23 OFFERORS DEEMED REASONABLE AT THE TIME OF THE REQUEST.

24   (F)   A UNIT MAY~~:~~

25   ~~(1)~~   AWARD ONE OR MORE OF THE PROPOSALS A CONTRACT FOR THE
26 PROOF OF CONCEPT~~; AND~~

27   ~~(2)   PROVIDE AN OPTION FOR THE STATE TO PROCEED WITH A FULL~~
28 ~~IMPLEMENTATION OF AN AWARDED PROPOSAL~~.

29   (G)   A VENDOR AWARDED A PROOF OF CONCEPT PROCUREMENT SHALL BE
30 ELIGIBLE TO BID ON A PROCUREMENT TO IMPLEMENT A PROPOSAL RELATED TO
31 THE PROOF OF CONCEPT PROCUREMENT.

1   **(H)   THE DEPARTMENT OF GENERAL SERVICES, IN CONSULTATION WITH**
2   **THE DEPARTMENT OF INFORMATION TECHNOLOGY, SHALL ADOPT POLICIES AND**
3   **PROCEDURES FOR THE DEVELOPMENT AND IMPLEMENTATION OF COMPETITIVE**
4   **PROOF OF CONCEPT PROCUREMENTS.**

5   ~~SECTION 2. AND BE IT FURTHER ENACTED, That, on or before December 1,~~
6   ~~2024, the Governor's Artificial Intelligence Subcabinet of the Governor's Executive Council,~~
7   ~~in consultation with the appropriate stakeholders, shall submit an interim report and~~
8   ~~recommendations to the Governor and, in accordance with § 2–1257 of the State~~
9   ~~Government Article, the General Assembly on the risks and opportunities and associated~~
10   ~~recommendations related to:~~

11   ~~(1)   use of artificial intelligence to support job and business creation and~~
12   ~~growth in the State;~~

13   ~~(2)   in collaboration with the Maryland Department of Labor and, as~~
14   ~~appropriate, external experts, workers, labor unions, businesses, and civil society, use of~~
15   ~~artificial intelligence by the State workforce, including opportunities to upskill the~~
16   ~~workforce;~~

17   ~~(3)   in consultation with the Maryland Department of Emergency~~
18   ~~Management, the Public Service Commission, the Department of the Environment, and the~~
19   ~~Department of Transportation, use of artificial intelligence in critical infrastructure and~~
20   ~~guidelines for owners and operators to incorporate risk management into critical~~
21   ~~infrastructure, including mapping emergent cyber and physical security and resiliency~~
22   ~~risks to the State infrastructure and residents stemming from artificial intelligence;~~

23   ~~(4)   in consultation with the Maryland Department of Health, the U.S.~~
24   ~~Department of Veterans Affairs, and the U.S. Department of Homeland Security, use of~~
25   ~~systems that employ artificial intelligence in health care delivery and human services;~~

26   ~~(5)   in consultation with the Department of Information Technology Office~~
27   ~~of Security Management and the Chief Privacy Officer, use of artificial intelligence in the~~
28   ~~discovery and remediation of vulnerabilities in cybersecurity and data management across~~
29   ~~State and local government, including school systems;~~

30   ~~(6)   in consultation with the State Chief Privacy Officer and an independent~~
31   ~~contractor identified by the Subcabinet, data privacy, specifically regarding the potential~~
32   ~~to train systems that employ artificial intelligence;~~

33   ~~(7)   in consultation with the Maryland Department of Labor, the~~
34   ~~Department of Commerce, and the Governor's Office of Small, Minority, and Women~~
35   ~~Business Affairs, use of artificial intelligence in workforce training and hiring of talent with~~
36   ~~expertise in artificial intelligence, employment practices, and workforce development~~
37   ~~implications;~~

1   (8)   in consultation with the Office of the Attorney General and the Judicial
2 Branch, use of artificial intelligence in the criminal justice system, including whether and
3 how such technology should be used, in what contexts, and with what safeguards;

4   (9)   the procurement of systems that employ artificial intelligence,
5 including efforts to increase competition and assurance that contracts retain sufficient data
6 privacy protection against vendor lock–in;

7   (10)   use of artificial intelligence by occupations licensed and certified by the
8 State, in consultation with the boards, identifying ways for the regulatory board to identify
9 and manage the risks of opportunities of artificial intelligence and determine appropriate
10 permitted use and supervision by licensees; and

11   (11)   use of artificial intelligence in local school systems, including
12 recommendations to the State on the responsible and productive use of artificial
13 intelligence based on a review of the federal Department of Education Office of Educational
14 Technology's report entitled "Artificial Intelligence and the Future of Teaching and
15 Learning: Insights and Recommendations", in collaboration with the State Department of
16 Education.

17   SECTION 2. AND BE IT FURTHER ENACTED, That:

18   (a)   The Governor's Artificial Intelligence Subcabinet of the Governor's Executive
19 Council, in consultation with the appropriate units of State government, shall:

20   (1)   develop a roadmap to review the risks and opportunities associated
21 with the use of artificial intelligence in State services; and

22   (2)   on or before December 1, 2024, submit the roadmap to the Governor
23 and, in accordance with § 2–1257 of the State Government Article, the General Assembly.

24   (b)   The roadmap developed under subsection (a) of this section shall include:

25   (1)   a plan to study the use of artificial intelligence:

26   (i)   to support job and business creation and growth in the State;
27   (ii)   by the State workforce, including opportunities to upskill the
28 workforce;

29   (iii)   in critical infrastructure, including guidelines for owners and
30 operators to incorporate risk management into critical infrastructure;

31   (iv)   in health care delivery and human services;

32   (v)   in the discovery and remediation of vulnerabilities in
33 cybersecurity and data management across State and local government, including school
34 systems;

1 　　　　　　　　　　(vi)　in data privacy, specifically regarding the ability to train systems
2 that employ artificial intelligence;

3 　　　　　　　　　　(vii)　in workforce training;

4 　　　　　　　　　　(viii)　in the criminal justice system and for public safety purposes,
5 including whether and how such technology should be used, in what contexts, and with
6 what safeguards;

7 　　　　　　　　　　(ix)　by occupations licensed and certified by the State, including
8 identifying ways for State regulatory boards to identify and manage the risks and
9 opportunities of artificial intelligence and determine appropriate permitted use and
10 supervision of licensees;

11 　　　　　　　　　　(x)　in local school systems, including recommendations to the State
12 on the responsible and productive use of artificial intelligence;

13 　　　　　　　　　　(xi)　in the conduct of elections, including reducing or eliminating the
14 spread of misinformation; and

15 　　　　　　　　　　(xii)　any other State service identified by the Subcabinet;

16 　　　　　　(2)　a plan to study:

17 　　　　　　　　　　(i)　the hiring of talent with expertise in artificial intelligence,
18 employment practices, and workforce development implications;

19 　　　　　　　　　　(ii)　methods to ensure that there is diversity in contract awards and
20 training programs related to artificial intelligence in the State, including racial diversity;
21 and

22 　　　　　　　　　　(iii)　the procurement of systems that employ artificial intelligence,
23 including efforts to increase competition and assurance that contracts retain sufficient data
24 privacy protection against vendor lock–in;

25 　　　　　　(3)　a prioritization of the study topics listed under this subsection,
26 including the methodology for the prioritization;

27 　　　　　　(4)　a list of appropriate stakeholders identified to participate in each study
28 topic; and

29 　　　　　　(5)　the projected timeline to complete each study topic.

30 　　　SECTION 3. AND BE IT FURTHER ENACTED, That, on or before December 1,
31 2025, the Governor's Artificial Intelligence Subcabinet of the Governor's Executive Council
32 shall submit a report and recommendations to the Governor and, in accordance with §

1 2–1257 of the State Government Article, the General Assembly on the sufficiency of the
2 Subcabinet to accomplish the artificial intelligence goals of the State and the efficacy of the
3 potential transition of the Subcabinet to a department or independent unit of State
4 government.

5 SECTION 4. AND BE IT FURTHER ENACTED, That it is the intent of the General
6 Assembly that the Department of Information Technology:

7 (1) evaluate the potential of artificial intelligence in creating a statewide
8 virtual 3–1–1 portal as a source for Maryland residents to obtain nonemergency
9 government information and services; and

10 (2) if the Department determines that the use of artificial intelligence in
11 creating a virtual 3–1–1 portal is feasible, to prioritize the creation of a virtual 3–1–1 portal
12 through a competitive proof of concept procurement in accordance with § 13–116 of the
13 State Finance and Procurement Article, as enacted by Section 1 of this Act.

14 SECTION 4. 5. AND BE IT FURTHER ENACTED, That this Act shall take effect
15 July 1, 2024.

Approved:

_____

Governor.

_____

President of the Senate.

_____

Speaker of the House of Delegates.