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TESTIMONY PRESENTED TO THE HEALTH
AND GOVERNMENT OPERATIONS
COMMITTEE

HOUSE BILL 1271
Information Technology - Artificial Intelligence - Policies and
Procedures (Artificial Intelligence Governance Act of 2024)

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POSITION: FAVORABLE

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Chair Pena-Melnyk, Vice Chair Cullison, and Members of this Committee, thank you for the opportunity to submit testimony in support of House Bill 1271.

The Cybersecurity Association of Maryland, Inc. ("CAMI") supports SB 982. CAMI is a statewide, 501(c)(6) nonprofit organization established in 2015, created to drive the growth of Maryland's cybersecurity industry. Our membership includes over 600 firms ranging in size from Fortune 500 companies to solo owner operators and represents nearly 100,000 Maryland employees.

The Artificial Intelligence Governance Act of 2024 is a Maryland state bill that codifies the 2024 Executive Order on artificial intelligence (AI) and is designed to regulate how state government agencies use AI.

We are particularly supportive of the following provisions.

- **Annual Inventories:** Each state government unit will be required to compile an annual inventory their data, and the AI systems they use. Having a comprehensive list of all data assets will enable each unit to locate and categorize sensitive information. This is crucial for prioritizing security efforts and implementing appropriate safeguards depending on the data's sensitivity.
- **Impact Assessments:** State government units are now required to conduct an "impact assessment" for any AI system they are using that might be deemed "high-risk." This will aid units in maintaining security guardrails and flag systems that don't properly maintain data security.
- **AI Policies:** The Department of Information Technology will be responsible for creating guidelines for how state government units develop, buy, put into use, and evaluate AI systems. This will provide all units of government, regardless of size and sophistication,

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with the necessary guardrails for deploying AI solutions with cybersecurity in mind.

- **Competitive Proof of Concept Procurement:** The bill outlines new rules for a procurement method called "competitive proof of concept." This method will give government agencies access to cutting-edge AI products and services through a competitive process.

This bill is significant because it highlights the growing use of AI by state governments, and sets standards for its responsible implementation, including the necessary data security provisions. Maryland is taking proactive steps to ensure that artificial intelligence is used in a way that is beneficial to its citizens and not harmful.