

## General Assembly

## **Amendment**

February Session, 2024

LCO No. 4350



Offered by:

SEN. MARONEY, 14<sup>th</sup> Dist. REP. D'AGOSTINO, 91<sup>st</sup> Dist.

To: Senate Bill No. 2

File No. 188

Cal. No. 132

## "AN ACT CONCERNING ARTIFICIAL INTELLIGENCE."

- Strike everything after the enacting clause and substitute the following in lieu thereof:
- "Section 1. (NEW) (*Effective July 1, 2025*) For the purposes of this section and sections 2 to 8, inclusive, of this act, unless the context otherwise requires:
- 6 (1) "Algorithmic discrimination" (A) means any condition in which 7 an artificial intelligence system materially increases the risk of any 8 unlawful differential treatment or impact that disfavors any individual 9 or group of individuals on the basis of their actual or perceived age, 10 color, disability, ethnicity, genetic information, limited proficiency in 11 the English language, national origin, race, religion, reproductive 12 health, sex, veteran status or other classification protected under the 13 laws of this state or federal law, and (B) does not include (i) any offer, 14 license or use of a high-risk artificial intelligence system by a developer 15 or deployer for the sole purpose of (I) the developer's or deployer's self-

testing to identify, mitigate or prevent discrimination or otherwise ensure compliance with state and federal law, or (II) expanding an applicant, customer or participant pool to increase diversity or redress historic discrimination, or (ii) any act or omission by or on behalf of a private club or other establishment not in fact open to the public, as set forth in Title II of the Civil Rights Act of 1964, 42 USC 2000a(e), as amended from time to time;

- (2) "Artificial intelligence system" means any machine-based system that, for any explicit or implicit objective, infers from the inputs such system receives how to generate outputs, including, but not limited to, content, decisions, predictions or recommendations, that can influence physical or virtual environments;
- (3) "Consequential decision" means any decision that has a material legal or similarly significant effect on the provision or denial to any consumer of, or the cost or terms of, (A) any criminal case assessment, any sentencing or plea agreement analysis or any pardon, parole, probation or release decision, (B) any education enrollment or opportunity, (C) any employment or employment opportunity, (D) any financial or lending service, (E) any essential government service, (F) any health care service, or (G) any housing, insurance or legal service;
- (4) "Consumer" means any individual who is a resident of this state;
- 37 (5) "Deploy" means to use a high-risk artificial intelligence system;
- 38 (6) "Deployer" means any person doing business in this state that 39 deploys a high-risk artificial intelligence system;
- (7) "Developer" means any person doing business in this state that develops, or intentionally and substantially modifies, an artificial intelligence system, including, but not limited to, a general-purpose artificial intelligence model or a high-risk artificial intelligence system;
  - (8) "General-purpose artificial intelligence model" (A) means any form of artificial intelligence system that (i) displays significant

23

24

25

26

27

28

29

30

31

32

33

34

35

36

44

generality, (ii) is capable of competently performing a wide range of distinct tasks, and (iii) can be integrated into a variety of downstream applications or systems, and (B) does not include any artificial intelligence model that is used for development, prototyping and research activities before such artificial intelligence model is released on the market;

- (9) "Health care service" means any service provided by a health care professional, or by any individual working under the supervision of a health care professional, that relates to (A) the diagnosis, prevention or treatment of any human disease or impairment, or (B) the assessment or care of the health of any human being;
- (10) "High-risk artificial intelligence system" (A) means any artificial intelligence system that, when deployed, makes, or is a substantial factor in making, a consequential decision, and (B) does not include (i) any artificial intelligence system that is intended to (I) perform any narrow procedural task, or (II) detect any decision-making pattern, or any deviation from any preexisting decision-making pattern, unless such artificial intelligence system is intended to influence or replace any assessment previously completed by an individual without proper human review, or (ii) any anti-fraud, anti-malware, anti-virus, calculator, cybersecurity, database, data storage, firewall, Internet domain registration, Internet-web-site loading, networking, robocall-filtering, spam-filtering, spellchecking, spreadsheet, web-caching, web-hosting or similar technology unless such technology, when deployed, makes, or is a substantial factor in making, a consequential decision;
- (11) "Intentional and substantial modification" (A) means any deliberate change made to (i) an artificial intelligence system that results in any new reasonably foreseeable risk of algorithmic discrimination, or (ii) a general-purpose artificial intelligence model that (I) affects compliance of the general-purpose artificial intelligence model, (II) materially changes the purpose of the general-purpose artificial intelligence model, or (III) results in any new reasonably foreseeable risk of algorithmic discrimination, and (B) does not include any change

made to a high-risk artificial intelligence system, or the performance of a high-risk artificial intelligence system continues to learn after such high-risk artificial intelligence system is (I) offered, sold, leased, licensed, given or otherwise made available to a deployer, or (II) deployed, and (ii) such change (I) is made to such high-risk artificial intelligence system as a result of any learning described in subparagraph (B)(i) of this subdivision, (II) was predetermined by the deployer, or the third party contracted by the deployer, when such deployer or third party completed the initial impact assessment for such high-risk artificial intelligence system pursuant to subsection (c) of section 3 of this act, and (III) is included in the technical documentation for such high-risk artificial intelligence system;

- (12) "Person" means any individual, association, corporation, limited liability company, partnership, trust or other legal entity;
- (13) "Substantial factor" (A) means a factor that (i) assists in making a consequential decision, (ii) is capable of altering the outcome of a consequential decision, and (iii) is generated by an artificial intelligence system, and (B) includes, but is not limited to, any use of an artificial intelligence system to generate any content, decision, prediction or recommendation concerning a consumer that is used as a basis to make a consequential decision concerning the consumer; and
- (14) "Synthetic digital content" means any digital content, including, but not limited to, any audio, image, text or video, that is produced or manipulated by an artificial intelligence system, including, but not limited to, a general-purpose artificial intelligence model.
- Sec. 2. (NEW) (*Effective July 1, 2025*) (a) Beginning on January 1, 2026, each developer of a high-risk artificial intelligence system shall use reasonable care to protect consumers from any known or reasonably foreseeable risks of algorithmic discrimination. In any enforcement action brought on or after said date by the Attorney General pursuant to section 7 of this act, there shall be a rebuttable presumption that a

developer used reasonable care as required under this subsection if the developer complied with the provisions of this section.

- (b) Beginning on January 1, 2026, and except as provided in subsection (e) of this section, the developer of a high-risk artificial intelligence system shall make available to each deployer of such high-risk artificial intelligence system:
  - (1) A general statement describing the intended uses of such highrisk artificial intelligence system;
  - (2) Documentation disclosing (A) the known or reasonably foreseeable limitations of such high-risk artificial intelligence system, including, but not limited to, the known or reasonably foreseeable risks of algorithmic discrimination arising from the intended uses of such high-risk artificial intelligence system, (B) the purpose of such high-risk artificial intelligence system, (C) the intended benefits and uses of such high-risk artificial intelligence system, and (D) relevant information concerning mitigation of algorithmic discrimination and explainability;
  - (3) Documentation describing (A) the type of data used to train such high-risk artificial intelligence system, (B) how such high-risk artificial intelligence system was evaluated for performance before such high-risk artificial intelligence system was offered, sold, leased, licensed, given or otherwise made available to a deployer, (C) the data governance measures used to cover the training datasets and the measures used to examine (i) the suitability of data sources, and (ii) possible biases and appropriate mitigation, (D) the intended outputs of such high-risk artificial intelligence system, (E) the measures the developer has taken to mitigate any known or reasonably foreseeable risks of algorithmic discrimination that may arise from deployment of such high-risk artificial intelligence system, and (F) how such high-risk artificial intelligence system should be used or monitored by an individual when such high-risk artificial intelligence system is used to make, or as a substantial factor in making, a consequential decision; and
- 142 (4) Documentation that is reasonably necessary to assist a deployer to

143 (A) understand the outputs of such high-risk artificial intelligence 144 system, and (B) monitor the performance of such high-risk artificial 145 intelligence system for any risk of algorithmic discrimination.

- (c) Except as provided in subsection (e) of this section, any developer that, on or after January 1, 2026, offers, sells, leases, licenses, gives or otherwise makes available to a deployer a high-risk artificial intelligence system shall provide to the deployer, to the extent feasible, the documentation and information necessary for the deployer, or a third party contracted by the deployer, to complete an impact assessment pursuant to subsection (c) of section 3 of this act. The developer shall provide such documentation and information to the deployer through artifacts such as model cards, dataset cards or other impact assessments, and such documentation and information shall enable the deployer, or a third party contracted by the deployer, to complete an impact assessment pursuant to subsection (c) of section 3 of this act.
- (d) (1) Beginning on January 1, 2026, each developer shall make available, in a manner that is clear and readily available for public inspection on such developer's Internet web site or in a public use case inventory, a statement summarizing:
  - (A) The types of high-risk artificial intelligence systems that such developer (i) has developed or intentionally and substantially modified, and (ii) currently makes available to deployers; and
  - (B) How such developer manages known or reasonably foreseeable risks of algorithmic discrimination arising from development or intentional and substantial modification of the types of high-risk artificial intelligence systems described in subparagraph (A) of this subdivision.
  - (2) Each developer shall update the statement described in subdivision (1) of this subsection (A) as necessary to ensure that such statement remains accurate, and (B) not later than ninety days after the developer intentionally and substantially modifies any high-risk artificial intelligence system described in subparagraph (A) of

subdivision (1) of this subsection.

176

177

178

179

180

181

182

183

184

185

186

187

188

189

190

191

192

193

194

195

196

197

198

199

200

201

202

203

204

205

206

207

(e) Nothing in subsections (b) to (d), inclusive, of this section shall be construed to require a developer to disclose any trade secret, as defined in section 35-51 of the general statutes, or other confidential or proprietary information.

(f) Beginning on January 1, 2026, the Attorney General may require, including, but not limited to, by way of a written demand made by the Attorney General, that a developer disclose to the Attorney General, in a form and manner prescribed by the Attorney General, any statement or documentation described in subsection (b) of this section if such statement or documentation is relevant to an investigation conducted by the Attorney General. The Attorney General may evaluate such statement or documentation to ensure compliance with the provisions of this section. To the extent any such statement or documentation includes any proprietary information or any trade secret that is exempt from disclosure under the Freedom of Information Act, as defined in section 1-200 of the general statutes, such statement or documentation shall be exempt from disclosure under said act. In making any disclosure pursuant to this subsection, a developer may designate any such statement or documentation as including any such proprietary information or trade secret. To the extent any information contained in any such statement or documentation includes any information subject to the attorney-client privilege or work product protection, such disclosure shall not constitute a waiver of such privilege or protection.

Sec. 3. (NEW) (*Effective July 1, 2025*) (a) Beginning on January 1, 2026, each deployer of a high-risk artificial intelligence system shall use reasonable care to protect consumers from any known or reasonably foreseeable risks of algorithmic discrimination. In any enforcement action brought on or after said date by the Attorney General pursuant to section 7 of this act, there shall be a rebuttable presumption that a deployer of a high-risk artificial intelligence system used reasonable care as required under this subsection if the deployer complied with the provisions of this section.

(b) (1) Beginning on January 1, 2026, and except as provided in subsection (g) of this section, each deployer of a high-risk artificial intelligence system shall implement and maintain a risk management policy and program to govern such deployer's deployment of a high-risk artificial intelligence system. The risk management policy and program shall specify and incorporate the principles, processes and personnel that the deployer shall use to identify, document and mitigate any known or reasonably foreseeable risks of algorithmic discrimination, and the risk management program shall be an iterative process that is planned, implemented and regularly and systematically reviewed and updated over the lifecycle of the high-risk artificial intelligence system. Each risk management policy and program implemented and maintained pursuant to this subsection shall be reasonable, considering:

- (A) The guidance and standards set forth in the latest version of the "Artificial Intelligence Risk Management Framework" published by the National Institute of Standards and Technology, ISO/IEC 42001, or another nationally or internationally recognized risk management framework for artificial intelligence systems;
- 227 (B) The size and complexity of the deployer;
- 228 (C) The nature and scope of the high-risk artificial intelligence 229 systems deployed by the deployer, including, but not limited to, the 230 intended uses of such high-risk artificial intelligence systems; and
- 231 (D) The sensitivity and volume of data processed in connection with 232 the high-risk artificial intelligence systems deployed by the deployer.
- 233 (2) A risk management policy and program implemented and 234 maintained pursuant to subdivision (1) of this subsection may cover 235 multiple high-risk artificial intelligence systems deployed by the 236 deployer.
- (c) (1) Except as provided in subdivisions (3) and (4) of this subsection and subsection (g) of this section:

208

209

210

211

212

213

214

215

216

217

218

219

220

221

222

223

224

225

SB<sub>2</sub> Amendment

239 (A) A deployer that deploys a high-risk artificial intelligence system 240 on or after January 1, 2026, or a third party contracted by the deployer, 241 shall complete an impact assessment for the high-risk artificial 242 intelligence system; and

- 243 (B) (i) Not later than January 1, 2026, and at least annually thereafter, 244 a deployer, or a third party contracted by the deployer, shall complete 245 an impact assessment for a deployed high-risk artificial intelligence 246 system; and
- 247 (ii) Beginning on January 1, 2026, a deployer, or a third party 248 contracted by the deployer, shall complete an impact assessment for a 249 deployed high-risk artificial intelligence system not later than ninety 250 days after any intentional and substantial modification to such high-risk 251 artificial intelligence system is made available.
- 252 (2) (A) Each impact assessment completed pursuant to this subsection 253 shall include, at a minimum:
- 254 (i) A statement by the deployer disclosing the purpose, intended use 255 cases and deployment context of, and benefits afforded by, the high-risk 256 artificial intelligence system;
  - (ii) An analysis of whether the deployment of the high-risk artificial intelligence system poses any known or reasonably foreseeable risks of algorithmic discrimination and, if so, the nature of such algorithmic discrimination and the steps that have been taken to mitigate such risks;
- 261 (iii) A description of (I) the categories of data the high-risk artificial 262 intelligence system processes as inputs, and (II) the outputs such high-263 risk artificial intelligence system produces;
- 264 (iv) If the deployer used data to customize the high-risk artificial 265 intelligence system, an overview of the categories of data the deployer 266 used to customize such high-risk artificial intelligence system;
- (v) Any metrics used to evaluate the performance and known 268 limitations of the high-risk artificial intelligence system;

257

258

259

260

(vi) A description of any transparency measures taken concerning the high-risk artificial intelligence system, including, but not limited to, any measures taken to disclose to a consumer that such high-risk artificial intelligence system is in use when such high-risk artificial intelligence system is in use; and

- (vii) A description of the post-deployment monitoring and user safeguards provided concerning such high-risk artificial intelligence system, including, but not limited to, the oversight process established by the deployer to address issues arising from deployment of such high-risk artificial intelligence system.
- (B) In addition to the statement, analysis, descriptions, overview and metrics required under subparagraph (A) of this subdivision, each impact assessment completed pursuant to this subsection following an intentional and substantial modification made to a high-risk artificial intelligence system on or after January 1, 2026, shall include a statement disclosing the extent to which the high-risk artificial intelligence system was used in a manner that was consistent with, or varied from, the developer's intended uses of such high-risk artificial intelligence system.
- (3) A single impact assessment may address a comparable set of highrisk artificial intelligence systems deployed by a deployer.
- (4) If a deployer, or a third party contracted by the deployer, completes an impact assessment for the purpose of complying with another applicable law or regulation, such impact assessment shall be deemed to satisfy the requirements established in this subsection if such impact assessment is reasonably similar in scope and effect to the impact assessment that would otherwise be completed pursuant to this subsection.
- (5) A deployer shall maintain the most recently completed impact assessment for a high-risk artificial intelligence system as required under this subsection, all records concerning each such impact assessment and all prior impact assessments, if any, for a period of at

least three years following the final deployment of the high-risk artificial intelligence system.

- (d) Beginning on January 1, 2026, and except as provided in subsection (g) of this section, a deployer, or a third party contracted by the deployer, shall review, at least annually, the deployment of each high-risk artificial intelligence system deployed by the deployer to ensure that such high-risk artificial intelligence system is not causing algorithmic discrimination.
- (e) (1) Beginning on January 1, 2026, and not later than the time that a deployer deploys a high-risk artificial intelligence system to make, or be a substantial factor in making, a consequential decision concerning a consumer, the deployer shall:
  - (A) Notify the consumer that the deployer has deployed a high-risk artificial intelligence system to make, or be a substantial factor in making, such consequential decision;
  - (B) If such deployer is a controller, as defined in section 42-515 of the general statutes, provide to the consumer an opportunity to submit to such deployer a notice indicating that the consumer is exercising such consumer's right, under subparagraph (C) of subdivision (5) of subsection (a) of section 42-518 of the general statutes, to opt-out of the processing of such consumer's personal data for purposes of profiling in furtherance of solely automated decisions that produce legal or similarly significant effects concerning such consumer, and, if such request is verifiable, such deployer shall respond to such request without imposing any cost on such consumer, without undue delay and in no event later than forty-five days after such deployer receives such request and, if such deployer cannot feasibly comply with such request due to any technical limitation, such deployer shall notify such consumer that such deployer cannot feasibly comply with such request and disclose such technical limitation to such consumer; and
  - (C) Provide to the consumer (i) a statement disclosing (I) the purpose of such high-risk artificial intelligence system, (II) the nature of such

consequential decision, and (III) if such deployer is a controller, as defined in section 42-515 of the general statutes, the consumer's right, under subparagraph (C) of subdivision (5) of subsection (a) of section 42-518 of the general statutes, to opt-out of the processing of the consumer's personal data for purposes of profiling in furtherance of solely automated decisions that produce legal or similarly significant effects concerning the consumer, (ii) contact information for such deployer, and (iii) a description, in plain language, of such high-risk artificial intelligence system, which description shall, at a minimum, include a description of (I) the personal attributes or characteristics that such high-risk artificial intelligence system shall assess or measure, the method by which such high-risk artificial intelligence system shall assess or measure such attributes or characteristics and why such attributes or characteristics are relevant to such consequential decision, (II) the outputs of such high-risk artificial intelligence system, (III) the logic used by such high-risk artificial intelligence system, including, but not limited to, the key parameters that affect the outputs of such highrisk artificial intelligence system, (IV) the sources of data used by such high-risk artificial intelligence system, (V) the sources and types of data collected from consumers and processed by such high-risk artificial intelligence system when such high-risk artificial intelligence system is used to make, or as a substantial factor in making, a consequential decision, (VI) the results of the impact assessment most recently completed for such high-risk artificial intelligence system pursuant to subsection (c) of this section or an active link to an Internet web site where the consumer may review such results, (VII) any human components of such high-risk artificial intelligence system, and (VIII) how the automated components of such high-risk artificial intelligence system are used to inform such consequential decision.

- (2) Beginning on January 1, 2026, a deployer that has deployed a highrisk artificial intelligence system to make, or as a substantial factor in making, a consequential decision concerning a consumer shall:
- (A) If such consequential decision is adverse to the consumer, provide to such consumer (i) a statement disclosing the principal reason

333

334

335

336

337

338

339

340

341

342

343

344

345

346

347

348

349

350

351

352

353

354

355

356

357

358

359

360

361

362

363

364

SB<sub>2</sub> **Amendment** 

367 or reasons for such consequential decision, including, but not limited to, 368 (I) the degree to which, and manner in which, the high-risk artificial 369 intelligence system contributed to such consequential decision, (II) the 370 data that was processed by such high-risk artificial intelligence system 371 in making such consequential decision, and (III) the source or sources of 372 the data described in subparagraph (A)(i)(II) of this subdivision, and (ii) 373 an opportunity to correct any incorrect personal data that the high-risk 374 artificial intelligence system processed in making, or as a substantial 375 factor in making, such consequential decision; and

- (B) Provide to such consumer an opportunity to appeal any adverse consequential decision arising from such deployment, which appeal shall, if technically feasible, allow for human review.
- (3) (A) Except as provided in subparagraph (B) of this subdivision, the deployer shall provide the notice, statements, contact information and description required under subdivisions (1) and (2) of this subsection:
- 383 (i) Directly to the consumer;
- 384 (ii) In plain language;

376

377

378

379

380

381 382

385

387

395

- (iii) In all languages in which such deployer, in the ordinary course 386 of such deployer's business, provides contracts, disclaimers, sale announcements and other information to consumers; and
- 388 (iv) In a format that is accessible to consumers with disabilities.
- 389 (B) If the deployer is unable to provide the notice, statements, contact 390 information and description required under subdivisions (1) and (2) of 391 this subsection directly to the consumer, such deployer shall make such 392 notice, statements, contact information and description available in a 393 manner that is reasonably calculated to ensure that such consumer 394 receives such notice, statements, contact information and description.
  - (f) (1) Beginning on January 1, 2026, and except as provided in subsection (g) of this section, each deployer shall make available, in a

manner that is clear and readily available for public inspection, a statement summarizing:

- 399 (A) The types of high-risk artificial intelligence systems that are 400 currently deployed by such deployer;
- 401 (B) How such deployer manages any known or reasonably 402 foreseeable risks of algorithmic discrimination that may arise from 403 deployment of each high-risk artificial intelligence system described in 404 subparagraph (A) of this subdivision; and
- 405 (C) In detail, the nature, source and extent of information collected and used by such deployer.
- 407 (2) Each deployer shall periodically update the statement described 408 in subdivision (1) of this subsection.
- (g) The provisions of subsections (b) to (d), inclusive, of this section and subsection (f) of this section shall not apply to a deployer if, at the time the deployer deploys a high-risk artificial intelligence system and at all times while the high-risk artificial intelligence system is deployed:
- 413 (1) The deployer (A) employs fewer than fifty full-time employees, 414 and (B) does not use such deployer's own data to train such high-risk 415 artificial intelligence system;
  - (2) Such high-risk artificial intelligence system (A) is used for the intended uses that are disclosed to such deployer as set forth in subdivision (1) of subsection (b) of section 2 of this act, and (B) continues learning, if such high-risk artificial intelligence system continues learning, based on data derived from sources other than such deployer's own data; and
  - (3) Such deployer makes available to consumers any impact assessment that (A) the developer of such high-risk artificial intelligence system has completed and provided to such deployer, and (B) includes a statement, analysis, descriptions, overview and metrics that are substantially similar to the statement, analysis, descriptions, overview

416

417

418

419

420

421

422

423

424

425

and metrics required under subparagraph (A) of subdivision (2) of subsection (c) of this section.

- (h) Nothing in subsections (b) to (g), inclusive, of this section shall be construed to require a deployer to disclose any trade secret, as defined in section 35-51 of the general statutes, or other confidential or proprietary information.
- 433 (i) Beginning on January 1, 2026, the Attorney General may require, 434 including, but not limited to, by way of a written demand made by the 435 Attorney General, that a deployer, or the third party contracted by the 436 deployer as set forth in subsection (c) of this section, as applicable, 437 disclose to the Attorney General, in a form and manner prescribed by 438 the Attorney General, any risk management policy implemented 439 pursuant to subsection (b) of this section, impact assessment completed 440 pursuant to subsection (c) of this section or record maintained pursuant 441 to subdivision (5) of subsection (c) of this section if such risk 442 management policy, impact assessment or record is relevant to an 443 investigation conducted by the Attorney General. The Attorney General 444 may evaluate such risk management policy, impact assessment or 445 record to ensure compliance with the provisions of this section. To the 446 extent any such risk management policy, impact assessment or record 447 includes any proprietary information or any trade secret that is exempt 448 from disclosure under the Freedom of Information Act, as defined in 449 section 1-200 of the general statutes, such risk management policy, 450 impact assessment or record shall be exempt from disclosure under said 451 act. In making any disclosure pursuant to this subsection, a deployer, or 452 the third party contracted by the deployer as set forth in subsection (c) 453 of this section, as applicable, may designate any such risk management 454 policy, impact assessment or record as including any such proprietary 455 information or trade secret. To the extent any information contained in 456 any such risk management policy, impact assessment or record includes 457 any information subject to the attorney-client privilege or work product 458 protection, such disclosure shall not constitute a waiver of such 459 privilege or protection.

429

430431

Sec. 4. (NEW) (*Effective July 1*, 2025) (a) Beginning on January 1, 2026, and except as provided in subsection (b) of this section, each person doing business in this state, including, but not limited to, each deployer that deploys, offers, sells, leases, licenses, gives or otherwise makes available, as applicable, any artificial intelligence system that is intended to interact with consumers shall ensure that it is disclosed to each consumer who interacts with such artificial intelligence system that such consumer is interacting with an artificial intelligence system.

- (b) No disclosure shall be required under subsection (a) of this section under circumstances in which a reasonable person would deem it obvious that such person is interacting with an artificial intelligence system.
- Sec. 5. (NEW) (*Effective July 1, 2025*) (a) Beginning on January 1, 2026, and except as provided in subsections (b) and (c) of this section, the developer of an artificial intelligence system, including, but not limited to, a general-purpose artificial intelligence model, that generates or manipulates synthetic digital content shall:
  - (1) Ensure that the outputs of such artificial intelligence system are marked and detectable as synthetic digital content, and that such outputs are so marked and detectable (A) not later than the time that consumers who did not create such outputs first interact with, or are exposed to, such outputs, and (B) in a manner that (i) is detectable by consumers, and (ii) complies with any applicable accessibility requirements; and
  - (2) As far as technically feasible and in a manner that is consistent with any nationally or internationally recognized technical standards, ensure that such developer's technical solutions are effective, interoperable, robust and reliable, considering (A) the specificities and limitations of different types of synthetic digital content, (B) the implementation costs, and (C) the generally acknowledged state of the art.
- 491 (b) If the synthetic digital content described in subsection (a) of this

section is in an audio, image or video format, and such synthetic digital content forms part of an evidently artistic, creative, satirical, fictional analogous work or program, the disclosure required under said subsection shall be limited to a disclosure that does not hinder the display or enjoyment of such work or program.

- (c) The provisions of subsection (a) of this section shall not apply to:
- (1) Any synthetic digital content that (A) consists exclusively of text, (B) is published to inform the public on any matter of public interest, (C) has undergone a process of human review or editorial control, (D) is unlikely to mislead a reasonable person consuming such synthetic digital content, or (E) is subject to control by a person who holds editorial responsibility for the publication of such synthetic digital content; or
- (2) To the extent that any artificial intelligence system described in subsection (a) of this section (A) performs an assistive function for standard editing, (B) does not substantially alter the input data provided by the developer or the semantics thereof, or (C) is used to detect, prevent, investigate or prosecute any crime where authorized by law.
- Sec. 6. (NEW) (Effective July 1, 2025) (a) Nothing in sections 1 to 7, inclusive, of this act shall be construed to restrict a developer's, deployer's or other person's ability to: (1) Comply with federal, state or municipal law; (2) comply with a civil, criminal or regulatory inquiry, investigation, subpoena or summons by federal, state, municipal or other governmental authorities; (3) cooperate with law enforcement agencies concerning conduct or activity that the developer, deployer or other person reasonably and in good faith believes may violate federal, state or municipal law; (4) investigate, establish, exercise, prepare for or defend legal claims; (5) take immediate steps to protect an interest that is essential for the life or physical safety of a consumer or another individual; (6) by any means other than facial recognition technology, prevent, detect, protect against or respond to security incidents, identity theft, fraud, harassment, malicious or deceptive activities or any illegal

activity, preserve the integrity or security of systems or investigate, report or prosecute those responsible for any such action; (7) engage in public or peer-reviewed scientific or statistical research in the public interest that (A) adheres to all other applicable ethics and privacy laws, and (B) is conducted in accordance with (i) 45 CFR Part 46, as amended from time to time, or (ii) relevant requirements established by the federal Food and Drug Administration; (8) conduct any research, testing and development activities regarding any artificial intelligence system or model, other than testing conducted under real world conditions, before such artificial intelligence system or model is placed on the market, deployed or put into service, as applicable; (9) effectuate a product recall; (10) identify and repair technical errors that impair existing or intended functionality; or (11) assist another developer, deployer or person with any of the obligations imposed under sections 1 to 7, inclusive, of this act.

- (b) Nothing in sections 1 to 7, inclusive, of this act shall be construed to impose any obligation on a developer, deployer or other person that adversely affects the rights or freedoms of any person, including, but not limited to, the rights of any person: (1) To freedom of speech or freedom of the press guaranteed in the First Amendment to the United States Constitution; or (2) under section 52-146t of the general statutes.
- (c) Nothing in sections 1 to 7, inclusive, of this act shall be construed to apply to any developer, deployer or other person: (1) Insofar as such developer, deployer or other person develops, deploys, puts into service or intentionally and substantially modifies, as applicable, a high-risk artificial intelligence system or general-purpose artificial intelligence model (A) that has been approved, authorized or cleared by (i) the federal Food and Drug Administration, or (ii) the federal Office of the National Coordinator for Health Information Technology, and (B) for which such developer, deployer or other person, as applicable, has established and maintains a governance policy; or (2) conducting any research required to support an application for approval or certification from any federal agency, including, but not limited to, the Federal Aviation Administration, the Federal Communications Commission or

the federal Food and Drug Administration.

558

559

560

561

562

563

564

565

566

567

568

569

570

571

572

573

574

575

576

577

578

579

(d) Nothing in sections 1 to 7, inclusive, of this act shall be construed to apply to any artificial intelligence system that is acquired by or for the federal government or any federal agency or department, including, but not limited to, the United States Department of Commerce, the United States Department of Defense or the National Aeronautics and Space Administration, unless such artificial intelligence system is a high-risk artificial intelligence system that is used to make, or as a substantial factor in making, a decision concerning employment or housing.

- (e) Any insurer, as defined in section 38a-1 of the general statutes, fraternal benefit society, within the meaning of section 38a-595 of the general statutes, or health carrier, as defined in section 38a-591a of the general statutes, shall be deemed to be in full compliance with the provisions of sections 1 to 7, inclusive, of this act if such insurer, fraternal benefit society or health carrier has implemented and maintains a written artificial intelligence systems program in accordance with all requirements established by the Insurance Commissioner.
- (f) If a developer, deployer or other person engages in any action pursuant to an exemption set forth in subsections (a) to (e), inclusive, of this section, the developer, deployer or other person bears the burden of demonstrating that such action qualifies for such exemption.
- Sec. 7. (NEW) (*Effective July 1, 2025*) (a) The Attorney General shall have exclusive authority to enforce the provisions of sections 1 to 6, inclusive, of this act.
- 583 (b) Except as provided in subsection (f) of this section, during the 584 period beginning on January 1, 2026, and ending on June 30, 2026, the 585 Attorney General shall, prior to initiating any action for a violation of 586 any provision of sections 1 to 6, inclusive, of this act, issue a notice of 587 violation to the developer, deployer or other person if the Attorney 588 General determines that it is possible to cure such violation. If the 589 developer, deployer or other person fails to cure such violation not later

590 than sixty days after receipt of the notice of violation, the Attorney 591 General may bring an action pursuant to this section.

- (c) Except as provided in subsection (f) of this section, beginning on July 1, 2026, the Attorney General may, in determining whether to grant a developer, deployer or other person the opportunity to cure a violation described in subsection (b) of this section, consider: (1) The number of violations; (2) the size and complexity of the developer, deployer or other person; (3) the nature and extent of the developer's, deployer's or other person's business; (4) the substantial likelihood of injury to the public; (5) the safety of persons or property; and (6) whether such violation was likely caused by human or technical error.
- (d) Nothing in sections 1 to 6, inclusive, of this act shall be construed as providing the basis for a private right of action for violations of said sections.
- (e) Except as provided in subsections (a) to (d), inclusive, and (f) of this section, a violation of the requirements established in sections 1 to 6, inclusive, of this act shall constitute an unfair trade practice for purposes of section 42-110b of the general statutes and shall be enforced solely by the Attorney General. The provisions of section 42-110g of the general statutes shall not apply to any such violation.
  - (f) (1) In any action commenced by the Attorney General for any violation of sections 1 to 6, inclusive, of this act, it shall be an affirmative defense that the developer, deployer or other person:
- (A) Discovers a violation of any provision of sections 1 to 6, inclusive, of this act through: (i) Feedback that the developer, deployer or other person encourages deployers or users to provide to such developer, deployer or other person; (ii) adversarial testing or red-teaming, as such terms are defined or used by the National Institutes of Standards and Technology; or (iii) an internal review process;
- (B) Not later than sixty days after discovering the violation as set forth in subparagraph (A) of this subdivision: (i) Cures such violation; and (ii)

SB<sub>2</sub> **Amendment** 

621 provides to the Attorney General, in a form and manner prescribed by

- the Attorney General, notice that such violation has been cured and
- 623 evidence that any harm caused by such violation has been mitigated;
- 624 and

- 625 (C) Is otherwise in compliance with the latest version of the "Artificial
- 626 Intelligence Risk Management Framework" published by the National
- 627 Institute of Standards and Technology, ISO/IEC 42001, or another
- nationally or internationally recognized risk management framework 628
- 629 for artificial intelligence systems.
- 630 (2) The developer, deployer or other person bears the burden of
- 631 demonstrating to the Attorney General that the requirements
- 632 established in subdivision (1) of this subsection have been satisfied.
- 633 (3) The Attorney General shall not initiate any action to enforce the
- 634 provisions of sections 1 to 6, inclusive, of this act unless the Attorney
- 635 General has consulted with the executive director of the Commission on
- 636 Human Rights and Opportunities to determine whether any complaint
- 637 has been filed with said commission pursuant to section 46a-82 of the
- 638 general statutes that is founded on the same act or omission that
- 639 constitutes the violation of sections 1 to 6, inclusive, of this act. The
- 640 Attorney General shall not initiate any action to enforce the provisions
- 641 of sections 1 to 6, inclusive, of this act unless such complaint has been
- 642 finally adjudicated or resolved.
- 643 (4) Nothing in this section or sections 1 to 6, inclusive, of this act,
- 644 including, but not limited to, the enforcement authority granted to the
- 645 Attorney General under this section, shall be construed to preempt or
- 646 otherwise affect any right, claim, remedy, presumption or defense
- 647 available at law or in equity. Any rebuttable presumption or affirmative
- 648 defense established under this section or sections 1 to 6, inclusive, of this
- 649 act shall apply only to an enforcement action brought by the Attorney 650
- General pursuant to this section and shall not apply to any right, claim,
- 651 remedy, presumption or defense available at law or in equity. The
- 652 Attorney General shall post on the Attorney General's Internet web site

information on how to properly file a complaint with the Commission on Human Rights and Opportunities.

- Sec. 8. (NEW) (*Effective July 1, 2025*) (a) For the purposes of this section, "legislative leader" has the same meaning as provided in subsection (b) of section 4-9d of the general statutes.
- (b) Each legislative leader may request that the executive director of the Connecticut Academy of Science and Engineering designate a member of said academy to serve as such legislative leader's liaison with said academy, the Office of the Attorney General and the Department of Economic and Community Development for the purpose of:
- (1) Designing a tool to enable any person to determine whether such person is in compliance with the provisions of sections 1 to 7, inclusive, of this act;
- 666 (2) Designing a tool to assist a deployer, or a third party contracted 667 by a deployer, to complete an impact assessment pursuant to subsection 668 (c) of section 3 of this act;
  - (3) Conducting meetings with relevant stakeholders to formulate a plan to utilize The University of Connecticut School of Law's Intellectual Property and Entrepreneurship Law Clinic to assist small businesses and startups in their efforts to comply with the provisions of sections 1 to 7, inclusive, of this act;
  - (4) Making recommendations concerning establishing a framework to provide a controlled and supervised environment in which artificial intelligence systems may be tested, which recommendations shall include, at a minimum, recommendations concerning the establishment of (A) an office to oversee such framework and environment, and (B) a program that would enable consultations between the state, businesses and other stakeholders concerning such framework and environment;
  - (5) Evaluating (A) the adoption of artificial intelligence systems by businesses, (B) the challenges posed to, and needs of, businesses in (i)

669

670

671

672

673

674

675

676 677

678

679

680

681

adopting artificial intelligence systems, and (ii) understanding laws and regulations concerning artificial intelligence systems, and (C) how businesses that use artificial intelligence systems hire employees with necessary skills concerning artificial intelligence systems;

- 687 (6) Creating a plan for the state to provide high-performance 688 computing services to businesses and researchers in the state; and
- (7) Evaluating the benefits of creating a state-wide research collaborative among health care providers to enable the development of advanced analytics, ethical and trustworthy artificial intelligence systems and hands-on workforce education while using methods that protect patient privacy.
- (c) No member of the Connecticut Academy of Science and Engineering designated pursuant to subsection (b) of this section shall be deemed a state employee, or receive any compensation from the state, for performing such member's duties under said subsection.
- Sec. 9. (NEW) (*Effective from passage*) (a) For the purposes of this section:
  - (1) "Artificial intelligence" means a machine-based system that (A) can, for a given set of human-defined objectives, make predictions, recommendations or decisions influencing real or virtual environments, and (B) uses machine and human-based inputs to (i) perceive real and virtual environments, (ii) abstract such perceptions into models through analysis in an automated manner, and (iii) formulate options for information or action through model inference; and
  - (2) "Generative artificial intelligence" means any form of artificial intelligence, including, but not limited to, a foundation model, that is able to produce synthetic digital content.
- 710 (b) There is established an Artificial Intelligence Advisory Council to 711 engage stakeholders and experts to: (1) Study the laws and regulations 712 of other states concerning artificial intelligence to ensure that the

700

701702

703

704

705

706

707

708

definitions included in, and requirements imposed by, the laws and regulations of this state concerning artificial intelligence are consistent with the laws and regulations of such other states; (2) maintain an ongoing dialogue between academia, government and industry concerning artificial intelligence; (3) make recommendations concerning the adoption of legislation to ensure that this state is a leader in artificial intelligence innovation; (4) advise the Department of Economic and Community Development for the purpose of attracting and promoting the growth of technology businesses in this state; and (5) beginning on July 1, 2024, consult with the Commissioner of Administrative Services to identify the potential opportunities and challenges associated with any current or planned use of generative artificial intelligence for the purposes of the information and telecommunication systems strategic plan developed under section 4d-7 of the general statutes, as amended by this act.

(c) (1) (A) The advisory council shall be part of the Legislative Department and consist of the following voting members: (i) One appointed by the speaker of the House of Representatives, who shall be a representative of the industries that are developing artificial intelligence; (ii) two appointed by the president pro tempore of the Senate, one of whom shall be a representative of a labor union representing public employees in this state and one of whom shall be a representative of the industries that are using artificial intelligence; (iii) one appointed by the majority leader of the House of Representatives, who shall be an academic with a concentration in the study of technology and technology policy; (iv) one appointed by the majority leader of the Senate, who shall be an academic with a concentration in the study of government and public policy; (v) one appointed by the minority leader of the House of Representatives, who shall be a representative of an industry association representing the industries that are developing artificial intelligence; (vi) one appointed by the minority leader of the Senate, who shall be a representative of an industry association representing the industries that are using artificial intelligence; (vii) one appointed by the House chairperson of the joint

713

714

715

716

717

718

719

720

721

722

723

724

725

726

727

728

729

730

731

732

733734

735

736

737

738

739

740

741

742

743

744

745

747 standing committee of the General Assembly having cognizance of 748 matters relating to consumer protection; (viii) one appointed by the 749 Senate chairperson of the joint standing committee of the General 750 Assembly having cognizance of matters relating to consumer 751 protection; (ix) two appointed by the Governor, who shall be members 752 of the Connecticut Academy of Science and Engineering; and (x) the 753 House and Senate chairpersons of the joint standing committee of the 754 General Assembly having cognizance of matters relating to consumer 755 protection.

- (B) All voting members appointed pursuant to subparagraphs (A)(i) to (A)(ix), inclusive, of this subdivision shall have professional experience or academic qualifications in matters pertaining to artificial intelligence, automated systems, government policy or another related field.
- (C) All initial appointments to the advisory council under subparagraphs (A)(i) to (A)(ix), inclusive, of this subdivision shall be made not later than thirty days after the effective date of this section. Any vacancy shall be filled by the appointing authority.
  - (D) Any action taken by the advisory council shall be taken by a majority vote of all members present who are entitled to vote, provided no such action may be taken unless at least fifty per cent of such members are present.
  - (2) The advisory council shall include the following nonvoting, exofficio members: (A) The Attorney General, or the Attorney General's designee; (B) the Comptroller, or the Comptroller's designee; (C) the Treasurer, or the Treasurer's designee; (D) the Commissioner of Administrative Services, or said commissioner's designee; (E) the Commissioner of Economic and Community Development, or said commissioner's designee; (F) the Chief Data Officer, or said officer's designee; (G) the executive director of the Freedom of Information Commission, or said executive director's designee; (H) the executive director of the Commission on Human Rights and Opportunities, or

765

766

767

768

769

770

771

772

773

774

775

776

777

said executive director's designee; (I) the executive director of the Commission on Women, Children, Seniors, Equity and Opportunity, or said executive director's designee; (J) the Chief Court Administrator, or said administrator's designee; and (K) the executive director of the Connecticut Academy of Science and Engineering, or said executive director's designee.

- (d) The Commissioner of Economic and Community Development, or said commissioner's designee, and the executive director of the Connecticut Academy of Science and Engineering, or said executive director's designee, shall serve as chairpersons of the advisory council. Such chairpersons shall schedule the first meeting of the advisory council, which shall be held not later than sixty days after the effective date of this section.
- (e) Not later than January 1, 2025, and at least annually thereafter, the advisory council shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to consumer protection and to the Commissioner of Economic and Community Development setting forth the advisory council's findings and recommendations.
- (f) The administrative staff of the joint standing committee of the General Assembly having cognizance of matters relating to consumer protection shall serve as administrative staff of the advisory council.
- Sec. 10. Section 53a-189c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2024*):
  - (a) A person is guilty of unlawful dissemination of an intimate image when (1) such person intentionally disseminates by electronic or other means a photograph, film, videotape or other recorded image or synthetic image of (A) the genitals, pubic area or buttocks of another person with less than a fully opaque covering of such body part, or the breast of such other person who is female with less than a fully opaque covering of any portion of such breast below the top of the nipple, or (B)

another person engaged in sexual intercourse, as defined in section 53a-

- 812 193, (2) such person disseminates such image [without the consent of
- 813 such other person,] knowing that such other person [understood that
- 814 the image would not be so disseminated] did not consent to such
- 815 <u>dissemination</u>, and (3) such other person suffers harm as a result of such
- 816 dissemination.
- (b) For purposes of this [subsection, "disseminate"] section:
- 818 (1) "Disseminate" means to sell, give, provide, lend, trade, mail,
- 819 deliver, transfer, publish, distribute, circulate, present, exhibit, advertise
- 820 or otherwise offer; [, and "harm"]
- 821 (2) "Harm" includes, but is not limited to, subjecting such other
- 822 person to hatred, contempt, ridicule, physical injury, financial injury,
- 823 psychological harm or serious emotional distress; and
- 824 (3) "Synthetic image" means any photograph, film, videotape or other
- image that (A) is not wholly recorded by a camera, (B) is either partially
- 826 or wholly generated by a computer system, and (C) depicts, and is
- 827 virtually indistinguishable from an actual representation of, an
- 828 identifiable person.
- [(b)] (c) The provisions of subsection (a) of this [subsection] section
- shall not apply to:
- (1) Any image described in subsection (a) of this section of such other
- person if such image resulted from voluntary exposure or engagement
- in sexual intercourse by such other person, in a public place, as defined
- 834 in section 53a-181, or in a commercial setting;
- 835 (2) Any image described in subsection (a) of this section of such other
- 836 person, if such other person is not clearly identifiable, unless other
- 837 personally identifying information is associated with or accompanies
- 838 the image; or
- (3) Any image described in subsection (a) of this section of such other
- person, if the dissemination of such image serves the public interest.

[(c)] (d) Unlawful dissemination of an intimate image to (1) a person by any means is a class A misdemeanor, and (2) more than one person by means of an interactive computer service, as defined in 47 USC 230, an information service, as defined in 47 USC 153, or a telecommunications service, as defined in section 16-247a, is a class D felony.

- [(d)] (e) Nothing in this section shall be construed to impose liability on the provider of an interactive computer service, as defined in 47 USC 230, an information service, as defined in 47 USC 153, or a telecommunications service, as defined in section 16-247a, for content provided by another person.
- Sec. 11. Section 9-600 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):
- [This] Except as otherwise provided in section 12 of this act, this chapter applies to: (1) The election, and all primaries preliminary thereto, of all public officials, except presidential electors, United States senators and members in Congress, and (2) any referendum question. This chapter also applies, except for the provisions of sections 9-611 to 9-620, inclusive, to persons who are candidates in a primary for town committee members.
- Sec. 12. (NEW) (*Effective July 1, 2024*) (a) As used in this section, unless the context otherwise requires:
- 863 (1) "Artificial intelligence" has the same meaning as provided in 864 section 9 of this act;
- 865 (2) "Candidate" means a human being who seeks election, or nomination for election, to any municipal, federal or state office;
- (3) "Deceptive media" means an image, audio or video that (A) depicts a human being engaging in speech or conduct in which the human being did not engage, (B) a reasonable viewer or listener would incorrectly believe depicts such human being engaging in such speech

or conduct, and (C) was produced, in whole or in part, by artificial intelligence;

- 873 (4) "Election" has the same meaning as provided in section 9-1 of the 874 general statutes; and
- 875 (5) "Elector" has the same meaning as provided in section 9-1 of the general statutes.
  - (b) Except as provided in subsections (c) and (d) of this section, no person shall distribute, or enter into an agreement with another person to distribute, any deceptive media during the period commencing ninety days prior to the availability of overseas ballots for an election or any primary precedent thereto, as set forth in subsection (b) of section 9-158c of the general statutes, and ending on the day following the date of the election if:
    - (1) The person (A) knows such deceptive media depicts any human being engaging in speech or conduct in which such human being did not engage, and (B) in distributing such deceptive media or entering into such agreement, intends to deceive electors into incorrectly believing that the human being described in subparagraph (A) of this subdivision engaged in the speech or conduct described in said subparagraph; and
    - (2) It is reasonably foreseeable that the distribution will (A) harm the reputation or electoral prospects of a candidate in the primary or election, or (B) deceive electors in the manner set forth in subparagraph (B) of subdivision (1) of this subsection.
    - (c) A person may distribute, or enter into an agreement with another person to distribute, deceptive media during the period set forth in subsection (b) of this section, provided:
  - (1) The deceptive media includes a disclaimer provided by the sponsor of such deceptive media informing viewers or listeners, as applicable, that the media has been manipulated by technical means and depicts speech or conduct that did not occur;

(2) If the deceptive media is a video, the deceptive media includes a disclaimer that (A) appears throughout the entirety of the video, (B) is clearly visible to, and readable by, the average viewer, (C) is in letters (i) at least as large as the majority of the other text included in the video, or (ii) if there is no other text included in the video, in a size that is easily readable by the average viewer, and (D) is in the same language otherwise used in such deceptive media;

- (3) If the deceptive media exclusively consists of audio, the deceptive media includes a disclaimer that is read (A) at the beginning and end of the audio, (B) in a clearly spoken manner, (C) in a pitch that can be easily heard by the average listener, and (D) if the audio is longer than two minutes in duration, interspersed within the audio at intervals that are not longer than two minutes in duration;
- (4) If the deceptive media is an image, the deceptive media includes a disclaimer that (A) is clearly visible to, and readable by, the average viewer, (B) if the media contains other text, is in letters (i) at least as large as the majority of the other text included in the image, or (ii) if there is no other text included in the image, in a size that is easily readable by the average viewer, and (C) is in the same language otherwise used in such deceptive media; and
- (5) If the deceptive media was generated by editing an existing image, audio or video, the deceptive media includes a disclaimer that includes a citation directing the viewer or listener to the original source from which the unedited version of such existing image, audio or video was obtained.
- 926 (d) The provisions of this section shall not apply to any deceptive 927 media that constitutes parody or satire.
- (e) (1) Any person who violates any provision of this section shall be guilty of a class C misdemeanor, except:
- 930 (A) Such person shall be guilty of a class A misdemeanor if such violation was committed:

(i) By, or on behalf of, (I) a candidate or committee, as those terms are defined in section 9-601 of the general statutes, or (II) a tax-exempt political organization organized under 26 USC 527, as amended from time to time; or

- 936 (ii) By directly expending more than five hundred dollars to 937 distribute the deceptive media; and
  - (B) Any violation committed not later than five years after conviction for a prior violation shall be a class D felony.
  - (2) Any penalty imposed under subdivision (1) of this subsection shall be in addition to any injunctive or other equitable relief ordered under subsection (f) of this section.
  - (f) (1) The Attorney General, a human being described in subparagraph (A) of subdivision (1) of subsection (b) of this section or a candidate for office who has been, or is likely to be, injured by the distribution of deceptive media in violation of the provisions of this section, or an organization that represents the interests of electors who have been, or are likely to be, deceived by any such distribution, may commence a civil action, in a court of competent jurisdiction, seeking to permanently enjoin any person who is alleged to have committed such violation from continuing such violation.
  - (2) In any civil action commenced under subdivision (1) of this subsection, the plaintiff shall bear the burden of proving, by clear and convincing evidence, that the defendant distributed deceptive media in violation of the provisions of this section.
  - (3) Any party, other than the Attorney General, who prevails in a civil action commenced under subdivision (1) of this subsection shall be awarded reasonable attorney's fees and costs to be taxed by the court.
- Sec. 13. Section 4a-2e of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July* 1, 2024):

- 962 (a) For the purposes of this section:
- 963 (1) "Artificial intelligence" [means (A) an artificial system that (i) 964 performs tasks under varying and unpredictable circumstances without 965 significant human oversight or can learn from experience and improve 966 such performance when exposed to data sets, (ii) is developed in any 967 context, including, but not limited to, software or physical hardware, 968 and solves tasks requiring human-like perception, cognition, planning, 969 learning, communication or physical action, or (iii) is designed to (I) 970 think or act like a human, including, but not limited to, a cognitive 971 architecture or neural network, or (II) act rationally, including, but not 972 limited to, an intelligent software agent or embodied robot that achieves 973 goals using perception, planning, reasoning, learning, communication, 974 decision-making or action, or (B) a set of techniques, including, but not 975 limited to, machine learning, that is designed to approximate a cognitive 976 task; and] has the same meaning as provided in section 9 of this act;
- 977 (2) "Generative artificial intelligence" means any form of artificial intelligence, including, but not limited to, a foundation model, that is able to produce synthetic digital content; and
- 980 [(2)] (3) "State agency" has the same meaning as provided in section 4d-1, as amended by this act.
  - (b) (1) Not later than December 31, 2023, and annually thereafter, the [Department] <u>Commissioner</u> of Administrative Services shall conduct an inventory of all systems that employ artificial intelligence and are in use by any state agency. Each such inventory shall include at least the following information for each such system:
- 987 (A) The name of such system and the vendor, if any, that provided such system;
- 989 (B) A description of the general capabilities and uses of such system;
- 990 (C) Whether such system was used to independently make, inform or 991 materially support a conclusion, decision or judgment; and

982

983

984

985

992 (D) Whether such system underwent an impact assessment prior to 993 implementation.

- (2) The [Department] <u>Commissioner</u> of Administrative Services shall make each inventory conducted pursuant to subdivision (1) of this subsection publicly available on the state's open data portal.
- (c) Beginning on February 1, 2024, the [Department] <u>Commissioner</u> of Administrative Services shall perform ongoing assessments of systems that employ artificial intelligence and are in use by state agencies to ensure that no such system shall result in any unlawful discrimination or disparate impact described in subparagraph (B) of subdivision (1) of subsection (b) of section 4-68jj. The [department] <u>commissioner</u> shall perform such assessment in accordance with the policies and procedures established by the Office of Policy and Management pursuant to subsection (b) of section 4-68jj.
- (d) The Commissioner of Administrative Services shall, in consultation with other state agencies, collective bargaining units that represent state agency employees and industry experts, develop trainings for state agency employees on (1) the use of generative artificial intelligence tools that are determined by the commissioner, pursuant to the assessment performed under subsection (c) of this section, to achieve equitable outcomes, and (2) methods for identifying and mitigating potential output inaccuracies, fabricated text, hallucinations and biases of generative artificial intelligence while respecting the privacy of the public and complying with all applicable state laws and policies. Beginning on July 1, 2025, the commissioner shall make such trainings available to state agency employees not less frequently than annually.
- Sec. 14. Subsection (b) of section 4-124w of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):
- (b) The department head of the Office of Workforce Strategy shall be
   the Chief Workforce Officer, who shall be appointed by the Governor in

accordance with the provisions of sections 4-5 to 4-8, inclusive, with the powers and duties therein prescribed. The Chief Workforce Officer shall be qualified by training and experience to perform the duties of the office as set forth in this section and shall have knowledge of publicly funded workforce training programs. The Chief Workforce Officer shall:

- 1029 (1) Be the principal advisor for workforce development policy, 1030 strategy and coordination to the Governor;
- 1031 (2) Be the lead state official for the development of employment and training strategies and initiatives;
  - (3) Be the chairperson of the Workforce Cabinet, which shall consist of agencies involved with employment and training, as designated by the Governor pursuant to section 31-3m. The Workforce Cabinet shall meet at the direction of the Governor or the Chief Workforce Officer;
  - (4) Be the liaison between the Governor, the Governor's Workforce Council, established pursuant to section 31-3h and any local, regional, state or federal organizations and entities with respect to workforce development policy, strategy and coordination, including, but not limited to, implementation of the Workforce Innovation and Opportunity Act of 2014, P.L. 113-128, as amended from time to time;
    - (5) Develop, and update as necessary, a state workforce strategy in consultation with the Governor's Workforce Council and the Workforce Cabinet and subject to the approval of the Governor. The Chief Workforce Officer shall submit, in accordance with the provisions of section 11-4a, the state workforce strategy to the joint standing committees of the General Assembly having cognizance of matters relating to appropriations, commerce, education, higher education and employment advancement, and labor and public employees at least thirty days before submitting such state workforce strategy to the Governor for his or her approval;
  - (6) Coordinate workforce development activities (A) funded through state resources, (B) funded through funds received pursuant to the

Workforce Innovation and Opportunity Act of 2014, P.L. 113-128, as amended from time to time, or (C) administered in collaboration with any state agency for the purpose of furthering the goals and outcomes of the state workforce strategy approved by the Governor pursuant to subdivision (5) of this subsection and the workforce development plan developed by the Governor's Workforce Council pursuant to the provisions of section 31-11p;

- (7) Collaborate with the regional workforce development boards to adapt the best practices for workforce development established by such boards for state-wide implementation, if possible;
- (8) Coordinate measurement and evaluation of outcomes across education and workforce development programs, in conjunction with state agencies, including, but not limited to, the Labor Department, the Department of Education and the Office of Policy and Management;
- 1069 (9) Notwithstanding any provision of the general statutes, review any state plan for each program set forth in Section 103(b) of the Workforce Innovation and Opportunity Act of 2014, P.L. 113-128, as amended from time to time, before such plan is submitted to the Governor;
  - (10) Establish methods and procedures to ensure the maximum involvement of members of the public, the legislature and local officials in workforce development policy, strategy and coordination;
  - (11) In conjunction with one or more state agencies enter into such contractual agreements, in accordance with established procedures and the approval of the Secretary of the Office of Policy and Management, as may be necessary to carry out the provisions of this section. The Chief Workforce Officer may enter into agreements with other state agencies for the purpose of performing the duties of the Office of Workforce Strategy, including, but not limited to, administrative, human resources, finance and information technology functions;
- 1084 (12) Market and communicate the state workforce strategy to ensure 1085 maximum engagement with students, trainees, job seekers and

1062

1063

1064

1065

1066

1067

1068

1073

1074

1075

1076

1077

1078

1079

1080

1081

1082

businesses while effectively elevating the state's workforce profile nationally;

- (13) For the purposes of subsection (a) of section 10-21c identify subject areas, courses, curriculum, content and programs that may be offered to students in elementary and high school in order to improve student outcomes and meet the workforce needs of the state;
- 1092 (14) Issue guidance to state agencies, the Governor's Workforce 1093 Council and regional workforce development boards in furtherance of 1094 the state workforce strategy and the workforce development plan 1095 developed by the Governor's Workforce Council pursuant to the 1096 provisions of section 31-11p. Such guidance shall be approved by the 1097 Secretary of the Office of Policy and Management, allow for a reasonable 1098 period for implementation and take effect not less than thirty days from 1099 such approval. The Chief Workforce Officer shall consult on the 1100 development and implementation of any guidance with the agency, 1101 council or board impacted by such guidance;
  - (15) Coordinate, in consultation with the Labor Department and regional workforce development boards to ensure compliance with state and federal laws for the purpose of furthering the service capabilities of programs offered pursuant to the Workforce Innovation and Opportunity Act, P.L. 113-128, as amended from time to time, and the United States Department of Labor's American Job Center system;
- 1108 (16) Coordinate, in consultation with the Department of Social 1109 Services, with community action agencies to further the state workforce 1110 strategy; [and]
- 1111 (17) In consultation with institutions of higher education and the 1112 regional workforce development boards established under section 31-1113 3k, the Commission for Educational Technology established in section 1114 4d-80, the Department of Economic and Community Development and 1115 other relevant state agencies, incorporate into workforce training 1116 programs offered in this state training concerning digital literacy, as 1117 defined in section 16-330a, including, but not limited to, training

1088

1089

1090

1091

1102

1103

1104

1105

1106

concerning artificial intelligence, as defined in section 9 of this act, in accordance with the principles of digital equity, as defined in section 16-1120 330a;

(18) Support the promotion of access to broadband Internet access service, as defined in section 16-330a, (A) through the workforce

- training programs described in subdivision (17) of this subsection, and
  (B) in accordance with (i) the principles of digital equity, as defined in
  section 16-330a, and (ii) other state efforts to promote access to
- broadband Internet access service, as defined in section 16-330a;
- 1127 (19) Coordinate, in consultation with the Department of Economic 1128 and Community Development, institutions of higher education and 1129 industry, efforts to submit an application to the federal government 1130 under the CHIPS and Science Act of 2022, P.L. 117-167, as amended from 1131 time to time, for the purpose of obtaining funding to provide (A) a 1132 scholarship to diverse students who are seeking a bachelor's degree in 1133 the field of electrical or mechanical engineering, and (B) an 1134 apprenticeship that leads to a bachelor's degree in the field of 1135 mechanical engineering; and
- 1136 [(17)] (20) Take any other action necessary to carry out the provisions of this section.
- Sec. 15. Section 4d-1 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):
- 1140 As used in this chapter, unless the context indicates a different 1141 meaning:
- 1142 (1) "Architecture" means the defined structure or orderly 1143 arrangement of information systems and telecommunication systems, 1144 based on accepted industry standards and guidelines, for the purpose 1145 of maximizing the interconnection and efficiency of such systems and 1146 the ability of users to share information resources.
- 1147 (2) "Artificial intelligence" means any technology, including, but not

limited to, machine learning, that uses data to train an algorithm or predictive model for the purpose of enabling a computer system or service to autonomously perform any task, including, but not limited to, visual perception, language processing or speech recognition, that is normally associated with human intelligence or perception.

- 1153 (3) "Commissioner" means the Commissioner of Administrative 1154 Services.
- 1155 (4) "Generative artificial intelligence" has the same meaning as provided in subsection (a) of section 4a-2e, as amended by this act.
- [(2)] (5) "Information systems" means the combination of data processing hardware and software in the collection, processing and distribution of data to and from interactive computer-based systems to meet informational needs.
- (6) "Machine learning" means any technique that enables a computer
   system or service to autonomously learn and adapt by using algorithms
   and statistical models to autonomously analyze and draw inferences
   from patterns in data.
  - [(3)] (7) "State agency" means each department, board, council, commission, institution or other agency of the Executive Department of the state government, provided each board, council, commission, institution or other agency included by law within any given department shall be deemed a division of that department. The term "state agency" shall include (A) the offices of the Governor, Lieutenant Governor, Treasurer, Attorney General, Secretary of the State and Comptroller, and (B) all operations of an Executive Department agency which are funded by either the General Fund or a special fund.
- [(4)] (8) "Telecommunication systems" means telephone equipment and transmission facilities, either alone or in combination with information systems, for the electronic distribution of all forms of information, including voice, data and images.

1165

1166

1167

1168

1169

1170

1171

1172

1178 [(5) "Commissioner" means the Commissioner of Administrative 1179 Services.]

Sec. 16. Subsection (b) of section 4d-7 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1*, 1182 2024):

(b) In order to facilitate the development of a fully integrated statewide information services and telecommunication system that effectively and efficiently supports data processing and telecommunication requirements of all state agencies, the strategic plan shall include: (1) Guidelines and standards for the architecture for information and telecommunication systems that support state agencies, including, but not limited to, standards for digital identity verification under section 1-276 that are consistent with industry standards and best practices; (2) plans for a cost-effective state-wide telecommunication network to support state agencies, which network may consist of different types of transmission media, including wire, fiber and radio, and shall be able to support voice, data, electronic mail, video and facsimile transmission requirements and any other form of information exchange that takes place via electromagnetic media; (3) identification of annual expenditures and major capital commitments for information and telecommunication systems; (4) identification of all state agency technology projects; (5) a description of the efforts of executive branch state agencies to use e-government solutions to deliver state services and conduct state programs, including the feedback and demands of clients of such agencies received by such agencies and such agencies' plans to address client concerns by using online solutions, when such solutions are determined feasible by such agencies; [and] (6) potential opportunities for increasing the efficiency or reducing the costs of the state's information and telecommunication systems; and (7) any current or planned use of generative artificial intelligence and the potential opportunities and challenges associated therewith, as identified by the Commissioner of Administrative Services in consultation with the Artificial Intelligence Advisory Council established under section 9 of this act.

1183

1184

1185

1186

1187

1188

1189

1190

1191

1192

1193

1194

1195

1196

1197

1198

1199

1200

1201

1202

1203

1204

1205

1206

1207

1208

1209

SB<sub>2</sub> Amendment

1212

1213

1214

1215

1216

1217

1218

1219

1220

1221

1223

1224

1225

1226

1227

1228

1229

1231

1236

1237

1238

1239

1240

Sec. 17. (NEW) (Effective July 1, 2024) Not later than July 1, 2025, the Board of Regents for Higher Education shall establish, on behalf of Charter Oak State College and in consultation with the independent institutions of higher education in this state, a "Connecticut AI Academy" for the purpose of curating and offering online courses concerning artificial intelligence and the responsible use of artificial intelligence. The board shall, in consultation with Charter Oak State College, develop certificates and badges to be awarded to persons who successfully complete such courses. As used in this section, "artificial intelligence" has the same meaning as provided in section 9 of this act.

- 1222 Sec. 18. (NEW) (*Effective July 1, 2024*) (a) As used in this section:
  - (1) "Artificial intelligence" has the same meaning as provided in section 9 of this act;
    - (2) "Artificial intelligence system" means any machine-based system that, for any explicit or implicit objective, infers from the inputs such system receives how to generate outputs, including, but not limited to, content, decisions, predictions or recommendations, that can influence physical or virtual environments;
- 1230 (3) "General-purpose artificial intelligence model" (A) means any form of artificial intelligence system that (i) displays significant 1232 generality, (ii) is capable of competently performing a wide range of 1233 distinct tasks, and (iii) can be integrated into a variety of downstream 1234 applications or systems, and (B) does not include any artificial intelligence model that is used for development, prototyping and 1235 research activities before such model is released on the market;
  - (4) "Generative artificial intelligence system" means any artificial intelligence system, including, but not limited to, a general-purpose artificial intelligence model, that is able to produce or manipulate synthetic digital content;
- 1241 (5) "Prompt engineering" means the process of guiding a generative 1242 artificial intelligence system to generate a desired output; and

1243 (6) "Synthetic digital content" means any digital content, including, 1244 but not limited to, any audio, image, text or video, that is produced or 1245 manipulated by a generative artificial intelligence system.

- (b) Not later than July 1, 2025, the Office of Workforce Strategy shall partner with Connecticut institutions of higher education to develop programs in the field of artificial intelligence, including, but not limited to, in areas such as prompt engineering, artificial intelligence marketing for small businesses and artificial intelligence for small business operations.
- Sec. 19. (*Effective July 1, 2024*) Not later than December 31, 2024, the Department of Economic and Community Development shall, in partnership with institutions of higher education in this state and in coordination with industry, conduct a "CT AI Symposium" to foster collaboration between academia, government and industry for the purpose of promoting the establishment and growth of artificial intelligence businesses in this state.
  - Sec. 20. (NEW) (*Effective from passage*) The Department of Economic and Community Development shall, within available appropriations, establish and administer a competitive grant program to fund pilot studies conducted for the purpose of using artificial intelligence to reduce health inequities in this state. No grant awarded pursuant to this section shall be in an amount that exceeds twenty thousand dollars. As used in this section, "artificial intelligence" has the same meaning as provided in section 9 of this act.
  - Sec. 21. (NEW) (Effective from passage) The Department of Economic and Community Development shall, within available appropriations, establish and administer a competitive grant program to fund pilot programs established by hospitals, fire departments, schools, nonprofit providers, the Judicial Department and the Department of Correction for the purpose of clinically integrating algorithms or utilizing virtual trainings. No grant awarded pursuant to this section shall be in an amount that exceeds seventy-five thousand dollars.

Sec. 22. Subsection (a) of section 32-1c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1*, 2024):

(a) In addition to any other powers, duties and responsibilities provided for in this chapter, chapter 131, chapter 579 and section 4-8 and subsection (a) of section 10-409, the commissioner shall have the following powers, duties and responsibilities: (1) To administer and direct the operations of the Department of Economic and Community Development; (2) to report annually to the Governor, as provided in section 4-60; (3) to conduct and administer the research and planning functions necessary to carry out the purposes of said chapters and sections; (4) to encourage and promote the development of industry and business in the state and to investigate, study and undertake ways and means of promoting and encouraging the prosperous development and protection of the legitimate interest and welfare of Connecticut business, industry and commerce, within and outside the state; (5) to serve, ex officio as a director on the board of Connecticut Innovations, Incorporated; (6) to serve as a member of the Committee of Concern for Connecticut Jobs; (7) to promote and encourage the location and development of new business in the state as well as the maintenance and expansion of existing business and for that purpose to cooperate with state and local agencies and individuals both within and outside the state; (8) to plan and conduct a program of information and publicity designed to attract tourists, visitors and other interested persons from outside the state to this state and also to encourage and coordinate the efforts of other public and private organizations or groups of citizens to publicize the facilities and attractions of the state for the same purposes; (9) to advise and cooperate with municipalities, persons and local planning agencies within the state for the purpose of promoting coordination between the state and such municipalities as to plans and development; (10) by reallocating funding from other agency accounts or programs, to assign adequate and available staff to provide technical assistance to businesses in the state in exporting, manufacturing and cluster-based initiatives and to provide guidance and advice on

1278

1279

1280

1281

1282

1283

1284

1285

1286

1287

1288

1289

1290

1291

1292

1293

1294

1295

1296

1297

1298

1299

1300

1301

1302

1303

1304

1305

1306

regulatory matters; (11) to aid minority businesses in their development; (12) to appoint such assistants, experts, technicians and clerical staff, subject to the provisions of chapter 67, as are necessary to carry out the purposes of said chapters and sections; (13) to employ other consultants and assistants on a contract or other basis for rendering financial, technical or other assistance and advice; (14) to acquire or lease facilities located outside the state subject to the provisions of section 4b-23; (15) to advise and inform municipal officials concerning economic development and collect and disseminate information pertaining thereto, including information about federal, state and private assistance programs and services pertaining thereto; (16) to inquire into the utilization of state government resources and coordinate federal and state activities for assistance in and solution of problems of economic development and to inform and advise the Governor about and propose legislation concerning such problems; (17) to conduct, encourage and maintain research and studies relating to industrial and commercial development; (18) to prepare and review model ordinances and charters relating to these areas; (19) to maintain an inventory of data and information and act as a clearinghouse and referral agency for information on state and federal programs and services relative to the purpose set forth herein. The inventory shall include information on all federal programs of financial assistance for defense conversion projects and other projects consistent with a defense conversion strategy and shall identify businesses which would be eligible for such assistance and provide notification to such business of such programs; (20) to conduct, encourage and maintain research and studies and advise municipal officials about forms of cooperation between public and private agencies designed to advance economic development; (21) to promote and assist the formation of municipal and other agencies appropriate to the purposes of this chapter; (22) to require notice of the submission of all applications by municipalities and any agency thereof for federal and state financial assistance for economic development programs as relate to the purposes of this chapter; (23) with the approval of the Commissioner of Administrative Services, to reimburse any employee of the department, including the commissioner, for reasonable business

1309

1310

1311

1312

1313

1314

1315

1316

1317

1318

1319

1320

1321

1322

1323

1324

1325

1326

1327

1328

1329

1330

1331

1332

1333

1334

1335

1336

1337

1338

1339

1340

1341

1342

1344 expenses, including but not limited to, mileage, travel, lodging, and 1345 entertainment of business prospects and other persons to the extent 1346 necessary or advisable to carry out the purposes of subdivisions (4), (7), 1347 (8) and (11) of this subsection and other provisions of this chapter; (24) 1348 to assist in resolving solid waste management issues; (25) (A) to serve as 1349 an information clearinghouse for various public and private programs 1350 available to assist businesses, and (B) to identify specific micro 1351 businesses, as defined in section 32-344, whose growth and success 1352 could benefit from state or private assistance and contact such small 1353 businesses in order to (i) identify their needs, (ii) provide information 1354 about public and private programs for meeting such needs, including, 1355 but not limited to, technical assistance, job training and financial 1356 assistance, and (iii) arrange for the provision of such assistance to such 1357 businesses; (26) to enhance and promote the digital media and motion 1358 picture industries in the state; (27) by reallocating funding from other 1359 agency accounts or programs, to develop a marketing campaign that 1360 promotes Connecticut as a place of innovation; [and] (28) by reallocating 1361 funding from other agency accounts or programs, to execute the steps necessary to implement the knowledge corridor agreement with 1362 1363 Massachusetts to promote the biomedical device industry; and (29) to 1364 designate an employee of the Department of Economic and Community 1365 Development to serve as the primary point of contact for economic 1366 development in the field of artificial intelligence, as defined in section 9 of this act. 1367

- Sec. 23. Subsection (a) of section 17b-245g of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1*, 2024):
  - (a) As used in this section:

1371

1372

1373

1374

1375

1376

(1) "Telehealth" means the mode of delivering health care or other health services via information and communication technologies to facilitate the diagnosis, consultation and treatment, education, care management and self-management of a patient's physical, oral and mental health, and includes (A) interaction between the patient at the

originating site and the telehealth provider at a distant site, and (B) synchronous interactions, asynchronous store and forward transfers or remote patient monitoring. "Telehealth" does not include the use of facsimile, texting or electronic mail.

- 1381 (2) "Connecticut medical assistance program" means the state's 1382 Medicaid program and the Children's Health Insurance Program under 1383 Title XXI of the Social Security Act, as amended from time to time.
- 1384 (3) "Remote patient monitoring" means the collection and interpretation of a patient's physiologic data that is digitally transmitted to a telehealth provider, and the treatment management services involving the use of such physiologic data by a telehealth provider to manage the patient's treatment plan.
- Sec. 24. Section 32-7p of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):
- 1391 (a) There shall be a Technology Talent <u>and Innovation Fund</u> Advisory 1392 Committee within the Department of Economic and Community 1393 Development. Such committee shall consist of members appointed by 1394 the Commissioner of Economic and Community Development, 1395 including, but not limited to, representatives of The University of 1396 Connecticut, the Board of Regents for Higher Education, independent 1397 institutions of higher education, the Office of Workforce Strategy and private industry. Such members shall be subject to term limits 1398 1399 prescribed by the commissioner. Each member shall hold office until a 1400 successor is appointed.
  - (b) The commissioner shall call the first meeting of the advisory committee not later than October 15, 2016. The advisory committee shall meet not less than quarterly thereafter and at such other times as the chairperson deems necessary. The Technology Talent <u>and Innovation Fund</u> Advisory Committee shall designate the chairperson of the committee from among its members.
- 1407 (c) No member of the advisory committee shall receive compensation

1401

1402

1403

1404

for such member's service, except that each member shall be entitled to reimbursement for actual and necessary expenses incurred during the performance of such member's official duties.

- (d) A majority of members of the advisory committee shall constitute a quorum for the transaction of any business or the exercise of any power of the advisory committee. The advisory committee may act by a majority of the members present at any meeting at which a quorum is in attendance, for the transaction of any business or the exercise of any power of the advisory committee, except as otherwise provided in this section.
- (e) Notwithstanding any provision of the general statutes, it shall not constitute a conflict of interest for a trustee, director, partner or officer of any person, firm or corporation, or any individual having a financial interest in a person, firm or corporation, to serve as a member of the advisory committee, provided such trustee, director, partner, officer or individual complies with all applicable provisions of chapter 10. All members of the advisory committee shall be deemed public officials and shall adhere to the code of ethics for public officials set forth in chapter 10, except that no member shall be required to file a statement of financial interest as described in section 1-83.
- [(f) The Technology Talent Advisory Committee shall, in the following order of priority, (1) calculate the number of software developers and other persons (A) employed in technology-based fields where there is a shortage of qualified employees in this state for businesses to hire, including, but not limited to, data mining, data analysis and cybersecurity, and (B) employed by businesses located in Connecticut as of December 31, 2016; (2) develop pilot programs to recruit software developers to Connecticut and train residents of the state in software development and such other technology fields, with the goal of increasing the number of software developers and persons employed in such other technology fields residing in Connecticut and employed by businesses in Connecticut by at least double the number calculated pursuant to subdivision (1) of this subsection by January 1,

2026; and (3) identify other technology industries where there is a shortage of qualified employees in this state for growth stage businesses to hire.]

- [(g)] (f) The Technology Talent and Innovation Fund Advisory Committee may partner with institutions of higher education and other nonprofit organizations to develop [pilot] programs [for (1) marketing and publicity campaigns designed to recruit technology talent to the state; (2) student loan deferral or forgiveness for students who start businesses in the state; and (3) training, apprenticeship and gap-year initiatives] to expand the technology talent pipeline in the state, including, but not limited to, in the fields of artificial intelligence, as defined in section 9 of this act, and quantum computing.
- [(h) The Technology Talent Advisory Committee shall report, in accordance with the provisions of section 11-4a, and present such report to the joint standing committees of the General Assembly having cognizance of matters relating to commerce, education, higher education and finance, revenue and bonding on or before January 1, 2017, concerning the (1) pilot programs developed pursuant to subsections (f) and (g) of this section, (2) number of software developers and persons employed in technology-based fields described in subsection (f) of this section targeted for recruitment pursuant to subsection (f) of this section, and (3) timeline and measures for reaching the recruitment target.]
- (g) Not later than July 1, 2025, the Technology Talent and Innovation Fund Advisory Committee shall partner with Connecticut institutions of higher education and other training providers to develop programs in the field of artificial intelligence, including, but not limited to, in areas such as prompt engineering, artificial intelligence marketing for small businesses and artificial intelligence for small business operations. For the purposes of this subsection, "artificial intelligence" has the same meaning as provided in section 9 of this act, and "generative artificial intelligence system" and "prompt engineering" have the same meanings as provided in section 18 of this act.

Sec. 25. Subsection (b) of section 32-235 of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

(b) The proceeds of the sale of said bonds, to the extent of the amount stated in subsection (a) of this section, shall be used by the Department of Economic and Community Development (1) for the purposes of sections 32-220 to 32-234, inclusive, including economic cluster-related programs and activities, and for the Connecticut job training finance demonstration program pursuant to sections 32-23uu and 32-23vv, provided (A) three million dollars shall be used by said department solely for the purposes of section 32-23uu, (B) not less than one million dollars shall be used for an educational technology grant to the deployment center program and the nonprofit business consortium deployment center approved pursuant to section 32-41l, (C) not less than two million dollars shall be used by said department for the establishment of a pilot program to make grants to businesses in designated areas of the state for construction, renovation or improvement of small manufacturing facilities, provided such grants are matched by the business, a municipality or another financing entity. The Commissioner of Economic and Community Development shall designate areas of the state where manufacturing is a substantial part of the local economy and shall make grants under such pilot program which are likely to produce a significant economic development benefit for the designated area, (D) five million dollars may be used by said department for the manufacturing competitiveness grants program, (E) one million dollars shall be used by said department for the purpose of a grant to the Connecticut Center for Advanced Technology, for the purposes of subdivision (5) of subsection (a) of section 32-7f, (F) fifty million dollars shall be used by said department for the purpose of grants to the United States Department of the Navy, the United States Department of Defense or eligible applicants for projects related to the enhancement of infrastructure for long-term, on-going naval operations at the United States Naval Submarine Base-New London, located in Groton, which will increase the military value of said base. Such projects

1474

1475

1476

1477

14781479

1480

1481

1482

1483

1484

1485

1486

1487

1488

1489

1490

1491

1492

1493

1494

1495

1496

1497

1498

1499

1500

1501

1502

1503

1504

1505

1506

1508 shall not be subject to the provisions of sections 4a-60 and 4a-60a, (G) 1509 two million dollars shall be used by said department for the purpose of 1510 a grant to the Connecticut Center for Advanced Technology, Inc., for 1511 manufacturing initiatives, including aerospace and defense, and (H) 1512 four million dollars shall be used by said department for the purpose of 1513 a grant to companies adversely impacted by the construction at the 1514 Quinnipiac Bridge, where such grant may be used to offset the increase 1515 in costs of commercial overland transportation of goods or materials 1516 brought to the port of New Haven by ship or vessel, (2) for the purposes 1517 of the small business assistance program established pursuant to section 1518 32-9yy, provided fifteen million dollars shall be deposited in the small 1519 business assistance account established pursuant to said section 32-9vy, 1520 (3) to deposit twenty million dollars in the small business express 1521 assistance account established pursuant to section 32-7h, (4) to deposit 1522 four million nine hundred thousand dollars per year in each of the fiscal 1523 years ending June 30, 2017, to June 30, 2019, inclusive, and June 30, 2021, 1524 and nine million nine hundred thousand dollars in the fiscal year ending 1525 June 30, 2020, in the CTNext Fund established pursuant to section 32-1526 39i, which shall be used by CTNext to provide grants-in-aid to 1527 designated innovation places, as defined in section 32-39j, planning grants-in-aid pursuant to section 32-39l, and grants-in-aid for projects 1528 1529 that network innovation places pursuant to subsection (b) of section 32-1530 39m, provided not more than three million dollars be used for grants-1531 in-aid for such projects, and further provided any portion of any such 1532 deposit that remains unexpended in a fiscal year subsequent to the date 1533 of such deposit may be used by CTNext for any purpose described in 1534 subsection (e) of section 32-39i, (5) to deposit two million dollars per 1535 year in each of the fiscal years ending June 30, 2019, to June 30, 2021, 1536 inclusive, in the CTNext Fund established pursuant to section 32-39i, 1537 which shall be used by CTNext for the purpose of providing higher 1538 education entrepreneurship grants-in-aid pursuant to section 32-39g, 1539 provided any portion of any such deposit that remains unexpended in 1540 a fiscal year subsequent to the date of such deposit may be used by 1541 CTNext for any purpose described in subsection (e) of section 32-39i, (6) 1542 for the purpose of funding the costs of the Technology Talent and

Innovation Fund Advisory Committee established pursuant to section 32-7p, as amended by this act, provided not more than ten million dollars may be used on or after July 1, 2023, for such purpose, (7) to provide (A) a grant-in-aid to the Connecticut Supplier Connection in an amount equal to two hundred fifty thousand dollars in each of the fiscal years ending June 30, 2017, to June 30, 2021, inclusive, and (B) a grantin-aid to the Connecticut Procurement Technical Assistance Program in an amount equal to three hundred thousand dollars in each of the fiscal years ending June 30, 2017, to June 30, 2021, inclusive, (8) to deposit four hundred fifty thousand dollars per year, in each of the fiscal years ending June 30, 2017, to June 30, 2021, inclusive, in the CTNext Fund established pursuant to section 32-39i, which shall be used by CTNext to provide growth grants-in-aid pursuant to section 32-39g, provided any portion of any such deposit that remains unexpended in a fiscal year subsequent to the date of such deposit may be used by CTNext for any purpose described in subsection (e) of section 32-39i, (9) to transfer fifty million dollars to the Labor Department which shall be used by said department for the purpose of funding workforce pipeline programs selected pursuant to section 31-11rr, provided, notwithstanding the provisions of section 31-11rr, (A) not less than five million dollars shall be provided to the workforce development board in Bridgeport serving the southwest region, for purposes of such program, and the board shall distribute such money in proportion to population and need, and (B) not less than five million dollars shall be provided to the workforce development board in Hartford serving the north central region, for purposes of such program, (10) to transfer twenty million dollars to Connecticut Innovations, Incorporated, provided ten million dollars shall be used by Connecticut Innovations, Incorporated for the purpose of the proof of concept fund established pursuant to subsection (b) of section 32-39x and ten million dollars shall be used by Connecticut Innovations, Incorporated for the purpose of the venture capital fund program established pursuant to section 32-4100, (11) to provide a grant to The University of Connecticut of eight million dollars for the establishment, development and operation of a center for sustainable aviation pursuant to subsection (a) of section 10a-110o. Not later than

15431544

1545

1546

1547

1548

1549

1550

1551

1552

1553

1554

1555

1556

1557

1558

1559

1560

1561

1562

1563

1564

1565

1566

1567

1568

1569

1570

1571

1572

1573

1574

1575

1576

thirty days prior to any use of unexpended funds under subdivision (4), (5) or (8) of this subsection, the CTNext board of directors shall provide notice of and the reason for such use to the joint standing committees of the General Assembly having cognizance of matters relating to commerce and finance, revenue and bonding."

This act shall take effect as follows and shall amend the following		
sections:		
Section 1	July 1, 2025	New section
Sec. 2	July 1, 2025	New section
Sec. 3	July 1, 2025	New section
Sec. 4	July 1, 2025	New section
Sec. 5	July 1, 2025	New section
Sec. 6	July 1, 2025	New section
Sec. 7	July 1, 2025	New section
Sec. 8	July 1, 2025	New section
Sec. 9	from passage	New section
Sec. 10	October 1, 2024	53a-189c
Sec. 11	July 1, 2024	9-600
Sec. 12	July 1, 2024	New section
Sec. 13	July 1, 2024	4a-2e
Sec. 14	July 1, 2024	4-124w(b)
Sec. 15	July 1, 2024	4d-1
Sec. 16	July 1, 2024	4d-7(b)
Sec. 17	July 1, 2024	New section
Sec. 18	July 1, 2024	New section
Sec. 19	July 1, 2024	New section
Sec. 20	from passage	New section
Sec. 21	from passage	New section
Sec. 22	July 1, 2024	32-1c(a)
Sec. 23	July 1, 2024	17b-245g(a)
Sec. 24	July 1, 2024	32-7p
Sec. 25	July 1, 2024	32-235(b)

1578

1579

1580