

AMENDED IN SENATE JUNE 28, 2019

AMENDED IN ASSEMBLY MAY 20, 2019

AMENDED IN ASSEMBLY APRIL 30, 2019

AMENDED IN ASSEMBLY MARCH 28, 2019

CALIFORNIA LEGISLATURE—2019–20 REGULAR SESSION

ASSEMBLY BILL

No. 1576

Introduced by Assembly Member Calderon

February 22, 2019

An act to add and repeal Section 11547.5 of the Government Code, relating to technology.

LEGISLATIVE COUNSEL'S DIGEST

AB 1576, as amended, Calderon. Secretary of Government Operations: working group: technology.

Existing law provides that there is a Government Operations Agency governed by the Secretary of Government Operations. Existing law establishes, within the Government Operations Agency, the Department of Technology under the supervision of the Director of Technology, who also serves as the State Chief Information Officer. The department is generally responsible for the approval and oversight of information technology projects by, among other things, consulting with state agencies during initial project planning to ensure that project proposals are based on well-defined programmatic needs. Under existing law, there is, in the Government Operations Agency, the Department of General Services, which shall develop and enforce policy and procedures and institute or cause the institution of those investigations and proceedings as it deems proper to assure effective operation of all

functions performed by the department and to conserve the rights and interests of the state.

This bill would require the Secretary of Government Operations to appoint participants to an artificial intelligence working group on or before July 1, 2020. *The bill would require the composition of the working group to be representative of California's demographic and cultural diversity.* For purposes of these provisions, the bill would define artificial intelligence technology. *The bill would require the working group to evaluate the uses, risks, benefits, and legal implications associated with the development and deployment of artificial intelligence by California-based businesses. The bill would require the working group to recommend best practices for the development and deployment of artificial intelligence by California-based businesses for specified purposes.* The bill would require the working group, on or before July 1, 2021, to report to the Legislature on the ~~potential uses, risks, and benefits of the use of artificial intelligence technology by California-based businesses, as specified.~~ *evaluations and recommendations described in the previous sentence.* The bill would repeal these provisions on January 1, 2023.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 11547.5 is added to the Government
2 Code, to read:
3 11547.5. (a) It is the intent of the Legislature to analyze the
4 impacts of artificial intelligence technology ~~and how this complex~~
5 ~~and emerging technology will affect on~~ California, giving
6 consideration to ethical use of the technology as it becomes more
7 advanced. *Artificial intelligence will have profound implications*
8 *for economic prosperity, social stability, and human well-being.*
9 *It is therefore critical to develop strategies to foster artificial*
10 *intelligence's development in a manner that maximizes its benefits*
11 *to society. As the drivers of innovation, California's businesses*
12 *will play a paramount role in this process and are in the unique*
13 *position to provide crucial insights and recommendations as*
14 *California formulates a strategy for promoting artificial*
15 *intelligence innovation that is ethical, responsible, and beneficial.*

(b) The Secretary of Government Operations shall appoint *participants to* an artificial intelligence technology working group and *shall* designate the chairperson of that group on or before July 1, 2020. The *composition of the* working group shall *be representative of California's demographic and cultural diversity and shall* serve in an advisory capacity. The working group shall ~~evaluate all~~ *do both* of the following:

~~(1) The uses of artificial intelligence technology by California-based businesses.~~

~~(2) The risks, including privacy risks, associated with the use of artificial intelligence technology by California-based businesses.~~

~~(3) The benefits associated with the use of artificial intelligence technology by California-based businesses.~~

~~(4) The legal implications associated with the use of artificial intelligence technology by California-based businesses.~~

~~(5) The best practices for enabling artificial intelligence technology to benefit California-based businesses and California residents.~~

(1) Evaluate the uses, risks, benefits, and legal implications associated with the development and deployment of artificial intelligence by California-based businesses.

(2) Recommend best practices for the development and deployment of artificial intelligence by California-based businesses to foster all of the following:

(A) Ethical and responsible innovation.

(B) Identification and elimination of bias in algorithms.

(C) Transparency and accountability.

(D) Safety and security in the operation of artificial intelligence systems.

(E) Benefits that are enjoyed by the full spectrum of social and economic classes.

(F) Protection of consumer and civil rights, including privacy and liberty.

(G) Creation of job and training opportunities to mitigate the possibility of job displacement.

(H) Alignment of human values with innovation.

(I) The support of social and civil processes.

(c) The artificial intelligence technology working group shall take input from a broad range of stakeholders with a diverse range of *backgrounds and* interests affected by state policies governing

1 emerging technologies, including artificial intelligence technology.
2 The working group shall consist of participants from all of the
3 following:

4 (1) Three appointees from the technology ~~industry~~: *industry*,
5 *including*:

6 (A) *One appointee with a background in ethics and artificial*
7 *intelligence.*

8 (B) *One appointee with expertise in machine learning.*

9 (C) *One appointee with expertise in algorithms.*

10 (2) Three appointees from nontechnology-related ~~industries~~.
11 *industries, including one appointee from a nonprofit organization.*

12 (3) Three appointees with a background in ~~law~~ *law, including*
13 *one from academia*, chosen in consultation with the Judicial
14 Council.

15 (4) Two appointees representing *privacy protection*
16 *organizations.*

17 (5) Two appointees representing *consumer protection*
18 *organizations.*

19 (6) One appointee with a labor or workforce development
20 *background.*

21 (7) The Director of Technology, or their designee.

22 (8) The Director of Finance, or their designee.

23 (9) The chief information officers of three other state agencies.

24 (10) One Member of the Senate, appointed by the Senate
25 Committee on Rules, and one Member of the Assembly, appointed
26 by the Speaker of the Assembly. The Members of the Legislature
27 shall serve in an ex officio ~~capacity~~ *capacity.*

28 (d) On or before July 1, 2021, the artificial intelligence
29 technology working group shall report to the Legislature on the
30 ~~potential uses, risks, and benefits of the use of artificial intelligence~~
31 ~~technology by California-based businesses.~~ *evaluations and*
32 *recommendations made pursuant to subdivision (b).*

33 (1) The working group's report shall include findings and
34 recommendations for modifications to the definition of artificial
35 intelligence technology in subdivision (f) and recommendations
36 for other findings relating to artificial intelligence technology.

37 (2) The report of the working group submitted pursuant to this
38 subdivision shall be advisory only, and there shall be no authority
39 or obligation on the part of the state, or the parties meeting and
40 conferring, to implement the findings and recommendations of the

1 working group without the enactment of subsequent legislation to
2 implement the report.

3 (3) A report submitted pursuant to this subdivision shall be
4 submitted in compliance with Section 9795 of the Government
5 Code.

6 (e) The members of the working group shall serve without
7 compensation, but shall be reimbursed for all necessary expenses
8 actually incurred in the performance of their duties.

9 (f) For purposes of this section, “artificial intelligence
10 technology” means a collection of different technologies that allow
11 smart machines to extend human capabilities and intelligence by
12 sensing, comprehending, acting, and learning, thereby allowing
13 humans to achieve much more than can be achieved without the
14 technology.

15 (g) This section shall remain in effect only until January 1, 2023,
16 and as of that date is repealed.