

HOUSE BILL NO. 306

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-THIRD LEGISLATURE - SECOND SESSION

BY THE HOUSE STATE AFFAIRS COMMITTEE BY REQUEST

Introduced: 2/2/24

Referred: State Affairs, Judiciary

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to artificial intelligence; requiring disclosure of deepfakes in campaign**
2 **communications; relating to cybersecurity; and relating to data privacy."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 * **Section 1.** AS 15.13 is amended by adding a new section to read:

5 **Sec. 15.13.093. Deepfake disclosure statement.** (a) If a person knows or
6 reasonably should know that a communication includes a deepfake depicting a
7 candidate or political party in a manner intended to injure the reputation of the
8 candidate or party or otherwise deceive a voter, the person shall include the following
9 statement with the communication: "This communication has been manipulated or
10 generated by artificial intelligence." In a communication that includes an audio
11 component, the statement must be read in a manner that is easily heard. If the
12 communication includes a print or video component, the statement must be placed in
13 the communication so the statement is easily discernible, and, for a broadcast, cable,
14 satellite, Internet, or other digital communication, the statement must remain onscreen

1 throughout the entirety of the communication.

2 (b) In this section, "deepfake" means an image, audio recording, or video
3 recording of an individual's appearance, conduct, or spoken words that has been
4 created or manipulated with machine learning, natural language processing, or another
5 computational processing technique of similar or greater complexity in a manner to
6 create a realistic but false image, audio, or video that

7 (1) appears to a reasonable person to depict a real individual saying or
8 doing something that did not actually occur; or

9 (2) provides a fundamentally different understanding or impression of
10 an individual's appearance, conduct, or spoken words than the understanding a
11 reasonable person would have from an unaltered, original version of the media.

12 * **Sec. 2.** AS 44.99 is amended by adding new sections to read:

13 **Article 7. Use by State Agencies of Artificial Intelligence and Data about Individuals.**

14 **Sec. 44.99.700. Inventory.** (a) Every two years, the department shall conduct
15 an inventory of all systems used by state agencies that employ artificial intelligence
16 for consequential decisions. Each state agency shall assist the department as necessary.
17 An inventory must include, at a minimum, the following information for each system:

- 18 (1) the name of the system;
19 (2) the vendor that provides the system, if any;
20 (3) a description of the general capabilities and uses of the system; and
21 (4) whether the state agency completed an impact assessment of the
22 system under AS 44.99.710 before the system's implementation.

23 (b) Upon completion, the department shall publish each inventory on the
24 department's Internet website.

25 **Sec. 44.99.710. Impact assessments.** (a) At least once every two years, the
26 head of a state agency that uses a system that employs artificial intelligence for
27 consequential decisions shall conduct an impact assessment of the system. An impact
28 assessment must include, at a minimum, an analysis of

- 29 (1) the efficacy of the system;
30 (2) the human oversight involved in the system;
31 (3) the accountability mechanisms in place for the system;

1 (4) the process by which an individual may appeal a decision made or
2 facilitated by the system;

3 (5) the current and potential benefits, liability, and risks to the state
4 from the system, including risks related to cybersecurity and intellectual property and
5 any measures used to mitigate liability and risks;

6 (6) the current and potential effects of the system on the liberty,
7 finances, livelihood, and privacy interests of individuals in the state, including effects
8 from any use of geolocation data by the system;

9 (7) any unlawful discrimination against or unlawful disparate impact
10 on an individual or a group of individuals that has resulted or may result from the
11 system; and

12 (8) the policies and procedures that govern the process of using the
13 system for consequential decisions.

14 (b) Upon completion, the state agency that conducts the impact assessment
15 shall provide the assessment to the department. Upon receiving an assessment, the
16 department shall publish the assessment on the department's Internet website.

17 **Sec. 44.99.720. Requirements for use of artificial intelligence by state**
18 **agencies.** (a) A state agency that uses a system that employs artificial intelligence for
19 consequential decisions shall

20 (1) notify each individual who may be legally or significantly affected
21 by the use of the system;

22 (2) obtain an individual's consent before soliciting or acquiring
23 sensitive personal data about the individual that will be used by the system;

24 (3) provide an appeals process that includes manual human review for
25 an individual who is legally or significantly affected by the use of the system; and

26 (4) inform a prospective employee of the state agency about any video
27 interview that involves the use of artificial intelligence and obtain the prospective
28 employee's consent before employing artificial intelligence.

29 (b) A state agency may not use a system that employs artificial intelligence for
30 consequential decisions if the system involves

31 (1) biometric identification, including facial recognition;

(2) emotion recognition;

(3) cognitive behavioral manipulation of individuals or groups; or

(4) social scoring.

(c) A state agency may not use a system that employs artificial intelligence for consequential decisions if the system uses data hosted in

(1) the People's Republic of China, including the Hong Kong Special Administrative Region and Macao Special Administrative Region;

(2) the Republic of Cuba;

(3) the Islamic Republic of Iran;

(4) the Democratic People's Republic of Korea;

(5) the Russian Federation; or

(6) the Bolivarian Republic of Venezuela under the regime of Nicolás Maduro Moros.

(d) A state agency may contract with a person for a system that employs artificial intelligence for consequential decisions only if the person has implemented multi-factor authentication to secure the system and data stored by the system.

Sec. 44.99.730. Transfer of data between state agencies. Unless required by law, a state agency may not transfer data about an individual to another state agency without the individual's consent.

Sec. 44.99.740. Regulations. (a) The department shall adopt regulations under AS 44.62 (Administrative Procedure Act) concerning the development, procurement, implementation, use, and ongoing assessment of systems that employ artificial intelligence by state agencies for consequential decisions. The regulations must include, at a minimum, provisions that

(1) govern the procurement, implementation, and ongoing assessment of each system;

(2) require a state agency to conduct an impact assessment of each system under AS 44.99.710 before its implementation;

(3) ensure that a system does not result in unlawful discrimination or an unlawful disparate impact on an individual or a group of individuals; and

(4) provide for the ongoing assessment of each system.

(b) The department may adopt additional regulations under AS 44.62 (Administrative Procedure Act) necessary to implement AS 44.99.700 - 44.99.730.

Sec. 44.99.750. Civil liability for harm. (a) An individual who suffers harm as a result of a violation of AS 44.99.700 - 44.99.730, a violation of a regulation adopted under AS 44.99.740, or gross negligence or reckless or intentional misconduct relating to the use of artificial intelligence by a state agency or state employee may bring a civil action in the superior court against the state or state employee.

(b) An individual who suffers harm under (a) of this section may recover damages for the harm to the individual, punitive damages under AS 09.17.020, and full reasonable attorney fees and costs in a civil action brought under this section.

Sec. 44.99.760. Definitions. In AS 44.99.700 - 44.99.760,

(1) "artificial intelligence" means an automated system that uses data input, human-defined objectives, and machine learning, natural language processing, or other computational processing techniques of similar or greater complexity to make a decision or facilitate human decision making;

(2) "biometric identification" means the analysis of an individual's physical or behavioral characteristics to uniquely identify the individual;

(3) "cognitive behavioral manipulation" means the use of a subliminal technique for the purpose of influencing an individual's behavior to achieve a desired outcome;

(4) "consequential decision" means a conclusion, decision, or judgment by a state agency that can have a legal or significant effect on an individual;

(5) "department" means the Department of Administration;

(6) "emotion recognition" means the analysis of an individual's bodily expressions, including facial and verbal expressions, to identify or predict the individual's emotions;

(7) "individual" means a natural person;

(8) "sensitive personal data" means

(A) data that reveals an individual's racial or ethnic origin, political opinions, or religious or philosophical beliefs;

(B) an individual's genetic data;

1 (C) an individual's biometric data when used for biometric
2 identification; or

3 (D) an individual's geolocation data;

4 (9) "social scoring" means evaluating, classifying, rating, or scoring
5 the trustworthiness or social standing of an individual based on behavior or
6 socioeconomic, political, or religious status;

7 (10) "state agency" means the University of Alaska, a public
8 corporation of the state, or a department, institution, board, commission, division,
9 authority, committee, or other administrative unit of the executive branch of state
10 government.