# Alaska State Legislature

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## **Senator Shelley Hughes**

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# SB 2 An Act Relating to Artificial Intelligence Sectional Analysis

Section 1: Amends AS 15.80 by Adding a New Section for Deepfake Disclosure Requirements

- Sec. 15.80.009 Deepfakes:
- 15.80.009(a), Page 1, line 6 through Page 2, line 6: Imposes a disclosure requirement for any election-related communication containing a deepfake. The disclosure must state, "This communication has been manipulated or generated by artificial intelligence or by another means."
  - 15.80.009(a)(1): For audio communications, the disclosure must be read at the beginning, end, and, for audio longer than two minutes, at least once every two minutes.
  - 15.80.009(a)(2): Specifies the disclosure must be easily heard.
- <u>15.80.009(b)</u>, Page 2, line 7 through line 9: Prohibits the removal of the required disclosure statement from election-related communications that include a deepfake. <u>15.80.009(c)</u>, Page 2, line 10 through line 12: Establishes penalties for violations, including damages, attorney fees, and costs.
- <u>15.80.009(d)</u>, Page 2, line 13 through line 17: Allows for legal actions for damages or injunctive relief by affected candidates or proposition groups.
- <u>15.80.009(e)</u>, Page 2, line 18 through Page 3, line 2: Lists exemptions to the disclosure requirement, such as satire or parody, and certain broadcasts and publications under specific conditions.
- <u>15.80.009(f)</u>, Page 3, line 3 through line 24: Defines critical terms such as "deepfake," "election-related communication," "proposition," and "proposition group."

Section 2: Amends AS 44.99 by Adding New Sections for AI Use and Data Handling by State Agencies

• Sec. 44.99.700 Inventory:

- 44.99.700(a), Page 3, line 20 through Page 3, line 30: Requires a biennial inventory of AI systems used by state agencies, including system names, vendors, capabilities, and completed impact assessments.
- 44.99.70 (b), Page 3, line 31 through Page 4 line 1: Mandates that the department remove a system no longer used by a state agency.
- 44.99.700(c), Page 4, line 2 through line 3: Mandates the publication of inventories on the department's Internet website.

#### • Sec. 44.99.710 Impact Assessments:

- 44.99.710(a), Page 4, line 4 through line 23: Details the requirements for conducting impact assessments of AI systems, including analysis of efficacy, human oversight, and potential effects on individuals.
- 44.99.710(b), Page 4, line 24 through line 26: Requires the publication of impact assessments.

#### • Sec. 44.99.720 Requirements for AI Use:

- 44.99.720(a), Page 4, line 27 through Page 5 line 7: Outlines obligations for notifying affected individuals and obtaining consent, providing an appeals process, and informing prospective employees about AI use in interviews.
- 44.99.720(b), Page 5, line 8 through line 13: Specifies prohibitions on AI functionalities such as biometric identification and social scoring.
- 44.99.720(c), Page 5, line 14 through line 16: Prohibits using AI systems with data hosted in countries designated as foreign adversaries.
- 44.99.720(d), Page 5, line 17 through line 22: Sets standards for security and privacy controls based on National Institute of Standards and Technology guidelines.
- Sec. 44.99.730 Data Transfer, Page 5, line 23 through line 25: Limits data transfers between state agencies without notifying the individual concerned.

#### • Sec. 44.99.740 Regulations:

- 44.99.740(a), Page 5, line 26 through Page 6, line 8: Directs the Department of Administration to adopt regulations covering the procurement, use, and assessment of AI systems by state agencies.
- 44.99.740(b), Page 6, line 9 through line 10: Allows for the adoption of additional necessary regulations.
- Sec. 44.99.750 Civil Liability, Page 6, line 11 through line 20: Establishes liability for harm caused by Al-related violations, gross negligence, or misconduct.
- <u>Sec. 44.99.760 Exemptions, Page 6, line 21 through line 30:</u> Provides exemptions for systems used by the Department of Public Safety under certain circumstances.

• <u>Sec. 44.99.770 Definitions, Page 6, line 31 through Page 8, line 9:</u> Provides definitions for various terms used in the sections, including "artificial intelligence," "sensitive personal data," and "state agency."

### Section 3: Uncodified Law, Page 8, line 10 through line 13:

Clarifies that AS 44.99.750 (Civil Liability) applies to acts or omissions occurring on or after the bill's effective date, ensuring the legislation's forward-looking application.