Agenda

State Government Artificial Intelligence Advisory Council



Terrence Woods, Chair State Chief Information Officer

Kathryn Darnall Helms State Chief Data Officer

Melinda Gross Department of Administrative Services Cultural Change Officer

Daniel Bonham State Senator

Daniel Nguyen State Representative

Jesse Hyatt Executive Branch Agency Representative

Andres Lopez

Catie Theisen

Hector Dominguez Aguirre

Janice Lee

Justus Eaglesmith

Kimberly McCullough

K S Venkatraman

Saby Waraich

Board Administrator

Shirlene Gonzalez

Kathryn Darnall Helms

Meeting Date: Wednesday, July 24, 2024

Time: 9:00 AM – 11:00 AM

Location: Join the Meeting Here

Meeting ID: 292 921 162 985 Passcode: njbMxw

Phone: +1 503-446-4951 **Phone conference ID:** 514 433 257#

ITEM	PRESENTER	TIME	ACTION, NOTES						
1. Call to Order and Roll Call									
	Terrence Woods	9:00- 9:05	Confirm quorum						
2. SubCommittee: Equity									
Attachment 2.1 Equity Subcommittee Report Out	Kathryn Darnall Helms	9:05- 9:20	Discussion						
3. SubCommittee: Security									
Attachment 3.1 Security Subcommittee Report Out	Terrence Woods	9:20- 9:35	Discussion						
4. SubCommittee: Ethics									
Attachment 4.1 Ethics Subcommittee Report Out	Catie Theisen	9:35- 9:50	Discussion						
5. Further Discussion regarding Principles									
Discussion to achieve alignment between subcommittees	Terrence Woods	9:50- 10:25							
6. Updated Council Timeline									
Attachment 6.1 SGAI Advisory Council Updated Timeline	Terrence Woods	10:25- 10:30	Informational						
7. Council Comments									
	Council Members	10:30- 10:45	Discussion						
8. Public Comment									
Attachment 8.1: SG AI Written Comments Through July 15, 2024 Sign-up instructions for providing public comment verbally or in writing are posted on the Council's webpage: https://www.oregon.gov/eis/Pages/ai-advisory-council.aspx Individuals are asked to limit verbal		10:45- 11:00	Testimony						
comments to three minutes or less.									

Next meeting:

To be scheduled

Virtual

Accommodations can be arranged for persons with disabilities, and alternate formats of printed material are available upon request. Please contact Enterprise Information Services at 503-378-3175 at least 72 hours in advance of the meeting to request accommodations. Closed captioning is included on the Microsoft Teams meeting.





Attachment 2.1 Equity Subcommittee Report Out

The Equity Subcommittee reviewed the following draft principles and definitions:

- Fairness, DEI, and Representation: Ensures AI design and use protect the rights of affected persons and groups, addressing bias and promoting diversity, equity, and inclusion. Reflects those affected in AI lifecycle teams and collaboration activities. Protects rights of all groups.
- Transparency & Trustworthiness-Ensure clarity, openness, and comprehensibility of AI processes and decisions, with full documentation of all phases of AI system development. Ensures AI design and use justify public trust and can explain results to laypersons.
- **Privacy & Confidentiality**-Protecting personal data and privacy in AI, supporting privacy rights. Ensures AI design and use protect users' information from unauthorized access, alteration, or destruction.

Based on the subcommittee's discussion, the following principles and definitions are proposed to address equity, transparency, and privacy within Oregon's Artificial Intelligence Framework.

- 1. **Equity and Representation:** Ensures AI design and use protect the human rights of affected persons and groups, address bias, incorporate fairness, and promote diversity, equity, and inclusion. Ongoing evaluation, inspection, and accountability of AI systems is embedded in the system lifecycle. Reflects those impacted in AI lifecycle teams and collaboration activities. Protects human rights (civil, legal, economic, cultural) and inclusion of all groups.
- 2. **Transparency and Trustworthiness:** Ensure clarity, openness, comprehensibility of AI processes, outcomes, impact, and decision background. Document and share all lifecycle steps of AI system development with the public and impacted persons. Ensures AI design and use justify public trust through accountability and timely communication.
- 3. **Privacy and Confidentiality:** Protect personal data and privacy rights in AI systems. To the greatest extent possible, AI design and use protect sensitive data and personal information from unauthorized access, disclosure, use, alteration, or destruction. Ensure that proper consent is obtained, and individuals are informed about how their data is used and disclosed.

The subcommittee also identified the following recommendations and considerations for principles and policy challenges for equity, transparency, and privacy within Oregon's Artificial Intelligence Framework

- 1. Transparency / Procurement- recommend addressing issue that while AI systems aren't required to be compliant with public records requirements, public records requests will still be made based on the content generated by AI.
- 2. Procurement- anything that involves an LLM, the vendor should have to disclose the data (at least to whoever is reviewing and doing procurement, if not also the public) they utilized to train the model.
- 3. Privacy and Confidentiality- privacy program development/leadership are important centralized privacy program development/leadership, resourcing for privacy impact assessments or human rights impact assessments, etc.
- 4. Methodology and Testing- all deployed AI solutions should have ongoing testing and auditing to ensure that we are meeting our goals across a wide range of considerations, including performance, bias, user experience, etc.

- 5. Procurement-Change Management: vendors should be required to give customer information on any changes to their technology, including LLM's, whether they believe it will impact customers or not.
- 6. Transparency and Trustworthiness- our recommendations should get specific about ensuring clarity, decision background, comprehensibility, impact and outcomes.
- 7. Transparency and Trustworthiness- the EU framework should be used in developing recommendations, including around a more localized approach.
- 8. Privacy- In developing recommendations, it is essential to ensure compliance with privacy rights as outlined in federal and state laws, as well as other relevant legal requirements.
- 9. Procurement- Vendors must adhere to strict standards and use government-obtained data exclusively for processing data for government purposes.
- 10. Data Management- recommendations will benefit from data minimization strategies and approaches.
- 11. Security and Securing- Establish and fulfill incident response procedures in case of disclosure or breach of confidential data.
- 12. Education- It's essential for everyone involved to understand public record laws and the limitations on offering a reasonable expectation of privacy.
- 13. General framework considerations:
 - a. Where appropriate, replacing terms like "ensure" and "must" with something like "To the greatest extent possible" to reflect an organization actual ability to affect change or outcomes, as determined by context and content.
 - b. Clarity of audience for AI framework and intended implementer(s) as State Agencies and State employees.

14. Principle Categories and Definitions

- a. Diversity, equity, and inclusion are the "how" for representation and fairness.
- b. Principles and their recommendations should help resolve ethical issues and questions for government officials about how interventions should be selected or applied
- c. Principles and recommendations should acknowledge that AI is not a replacement for direct community engagement or experience

15. Framework Accessibility and Consistency

- a. The Final AI Framework and Report should be written in plain language to promote accessibility to all readers
- b. The Final AI Framework and Report should make use of pre-existing standardized definitions where possible, such as the NIST Glossary of Terms

16. Governance, Accountability and Oversight

- a. Framework recommendations should include a centralized, standardized full life-cycle process for governance, accountability, and oversight of AI systems and managing the AI lifecycle
- b. Centralized governance structure to vet AI system deployment
- c. Agencies will need a playbook on how to implement based upon these processes
- d. What are the specific actions that need to be taken to support an equitable AI development lifecycle?
- e. What is the ongoing oversight and program accountability
- f. Guidance to help users identify where the balance is for fairness

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Attachment 3.1 Security Subcommittee Report Out



The Security Subcommittee reviewed the following draft principles and definitions:

- **Safety and Impact:** Ensure AI design and use do not decrease overall safety. Specifies impact and safety requirements with quantifiable terms and measurement methods.
- Security and Securing: Ensure the AI system's design, use, and lifecycle management protect it and its data from unauthorized access, alteration, or destruction.
- **Risk and Risk Management:** Identifying, assessing, and managing AI risks, focusing on compliance for high-risk AI systems. Fully assessing risk types, potential harms, and management options.

Based on the subcommittee's discussion, the following principles and definitions are proposed to address safety, security, and risk management within Oregon's Artificial Intelligence Framework.

- 1. **Governance:** Ensure policies, processes, procedures, and practices across the Executive Branch related to the mapping, measuring and managing of AI benefits and risks are in place, transparent, and implemented with accountability and full inspection; a culture of risk management is cultivated and present.
- 2. **Safety and Impact:** Ensure AI design and use do not decrease overall safety. Specifies impact and safety requirements with quantifiable terms and measurement methods.
- 3. **Security and Securing:** Ensure the AI system's design, use, and lifecycle management protect it and its data from unauthorized access, alteration, or destruction.
- 4. **Risk and Risk Management:** Identifying, assessing, measuring, and managing AI risks, focusing on compliance for AI systems and projected impact. Fully assessing risk types, potential harms, and management options.
- 5. Mapping: The levels of data types are recognized, and risks related to data types are identified.

The subcommittee also identified the following recommendations and considerations for principles and policy challenges for safety, security, and risk management within Oregon's Artificial Intelligence Framework

- 1. Recommend action for a process regarding centralized login and appropriate applications.
- 2. Recommend governance framework for AI and GenAI.
- 3. Develop AI Security Training Plan and requirements.
- 4. Develop certification process for AI users.
- 5. In the absence of specific rules, laws or definitions, NIST AI Risk management Framework is referenced.



Attachment 4.1 Ethics Subcommittee Report Out



The Ethics Subcommittee reviewed the following draft principles and definitions:

- AI Education and Workforce: Promoting AI education and training, ensuring the workforce is prepared to effectively create, deploy, and use AI systems. Raising public awareness and engaging with the community to build trust and understanding of AI technologies.
- Understand and Promote AI Usage: Advocating and promoting AI use within policy areas and organizational levels, addressing the wide range of staff using AI, from technologists to administrative support staff.
- Accountability and Responsibility: Assigning roles, responsibilities, and providing oversight, discussing obligations and accountability measures for stakeholders in AI use. Ensures AI systems are designed and used ethically via monitoring and evaluations.

Based on the subcommittee's discussion, the following principles and definitions are proposed to address education, advocacy, and accountability within Oregon's Artificial Intelligence Framework.

- 1. AI must enhance user and worker experience and ensure equitable outcomes: State Government use of AI should be used as a tool to make work more efficient and enhance the experience for the user or client. Programs should prioritize inclusivity and actively work to not perpetuate negative outcomes or biases for currently or historically marginalized people including Oregonians interfacing with the system and workers across the globe enabling these systems to function. AI should not supplant direct outreach and engagement with impacted communities. Further, Oregon should actively consider any negative environmental and climate impacts before adopting an AI system.
- 2. **AI use must be transparent and explainable to build trust and understanding:** AI systems deployed by the state should be developed and implemented with transparent methodologies, data sources, and design procedures. Those asked to engage with AI or have their data used by AI should do so with informed consent. AI decision-making processes must be clearly explained to both users and affected individuals
- 3. **Oregon State Government's use of AI must be accountable to Oregonians:** This means that before, during and after utilization of any AI program, success metrics around fairness, accuracy, safety, privacy, reliability and other measures be adopted, measured, monitored and evaluated with user feedback to improve outcomes and determine future use. Positive efficiencies of the system should significantly outweigh any negatives or costs in order for adoption and/or continued use to occur.
- 4. **Invest in workforce preparedness and understanding:** Current workers incorporating AI systems into their workflow should be a part of the adoption decision and review processes and be adequately informed and trained to appropriately utilize the system. In addition, it's critical that Oregon's next generation of workers have a baseline of education in AI both in a broader framework of what is possible with AI, ethical considerations and implications, and direct and practical applications.
- 5. Define clear structures and governance on how human oversight will be intentionally built into the adoption, review and day-to-day implementation of AI. Clearly defined roles and responsibilities on this and the overall governance and decision-making of how, where and when AI systems are adopted and utilized is critical.

The subcommittee also identified the following recommendations and considerations for principles and policy challenges for education, advocacy, and accountability within Oregon's Artificial Intelligence Framework

- 1. The state should develop a checklist of must-haves in evaluating and adopting any system. Items should include proof of ethical sourcing of data, evaluation of potential discrimination bias of the data, documentation on reasoning of sampling
- 2. Clarity on when and how to disclose AI decision-making and use to users and workers. Ability for a user to opt out/appeal any decision made by AI
- 3. Parameters for the IT department for metrics and criteria for evaluation, mechanism and timelines for review
- 4. Submit/engage workforce and talent development board on any recommendations
- 5. General training for all workers, and certification process/more specific training for those directly using any AI platforms
- 6. Front-line (i.e. those actually using the system) workers must be a part of the conversation on adoption, incorporation etc. of any platform. Transparency that the goal of AI is to increase the quality of the work not the quantity
- 7. Define process and reasonable timeline for proposing and adopting new technologies. Goal: 30 days for an answer, concurrent conversations happening with all key stakeholders
- 8. Informed worker consent on how and when their data is being collected and used.

Meeting Date: Tuesday, July 24, 2024

Attachment 6.1 SGAI Advisory Council Updated Timeline





State Government Artificial Intelligence Advisory Council Updated Timeline

Timeframe	Activities	Milestone			
March 19, 2024	Council meeting #1	Council convenes			
April 24, 2024	Council meeting #2	Council convenes			
Weeks of April 24 – June 3, 2024	Determine how the work will be approached and organized.	Framework Approach Determined			
Week of June 10, 2024	Council meeting #3 Draft Framework categories	Council convenes			
Weeks of June 17- July 15, 2024	Develop an outline of document and begin developing elements.	Sub-committees meet to confirm principles			
July 24, 2024	Council meeting #4 Agenda TBD	Council convenes			
Weeks of July 29 – August 25, 2024	Core elements of the framework are developed, and details are being incorporated.	1st Draft Framework Completed			
Week of September 2, 2024	Council meeting #5 Agenda TBD	Council convenes			
September 12, 2024	All desired elements of the framework are incorporated, reviewed, and approved for submission.	Framework Final Review and Finalized			
September 19, 2024		Provide a recommended framework to the Governor's Office			
Week of October 14, 2024	Council meeting #6 Agenda TBD	Council convenes			
Weeks of October 21 – November 18, 2024	Determine how the work will be approached and organized.	Framework Approach Determined			
Week of November 25, 2024	Council meeting #7 Agenda TBD	Council convenes			
Weeks of December 2 – December 30, 2024	Develop an outline of document and begin developing elements.	Draft Recommendations Created			
Week of January 6, 2025	Council meeting #8 Agenda TBD	Council convenes			
Weeks of January 13, – February 10, 2025	Core elements of the recommendations are developed, and details are being incorporated.	1st Draft Recommendations Completed			
Week of February 17, 2025	Council meeting #9 Agenda TBD	Council convenes			
February 24, – March 12, 2025	All desired elements of the recommendations are incorporated, reviewed, and approved for submission.	Framework Final Review and Completed			
March 19, 2025		Provide final recommended action plan.			

7/24/2024



State Government Artificial Intelligence Advisory Council Updated Timeline

		April	May	June	July	August	September
2nd Council Meeting	4/24/24		Meeting				
Draft Framework Initial Design	5/15/24		D	rafting			
Benchmarking Report final	5/24/24			Report			
3rd Council Meeting	6/10/24			M	eeting		
Workgroups Formed and Work Initiated	6/15/24				Workgrou	р	
1st Draft of Framework Completed	7/2/24				Draf	ting	
4th Council Meeting	7/22/24					Meeting	
Workgroup Update and Work	7/30/24					Workgr	oup
2nd Draft of Framework Completed	8/10/24						Drafting
5th Council Meeting	9/2/24						Meeting
Framework Finalized	9/8/24						
*Framework Submitted & Reviewed	9/19/24						

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Meeting Date: Tuesday, July 24, 2024

Attachment 8.1 SGAI Written Comments Through July 15, 2024

Date: June 4, 2024 **Name:** Arlen Smith

Written Comments:

There seems to be an extremely dangerous pathway being laid out here. Potentially far more dangerous than Covid-19. It has been said that good science fiction has to have a grain of truth underlying it. Both the Terminator and Matrix movie stories were premised on the underlying truth that artificial intelligence (AI) has no inherent moral compass as to what is right and what is wrong. This reality potentially impacts all of the life forms on this plant to varying degrees.

I have been watching this and similar groups for some time and have seen no significant evidence that this group truly understands the Laws of Robotics and their real world, as opposed to science fiction, implications. Among other things there are scales of impact involved.

For example: Modern elevators operate with a modest amount of AI. Should something there go wrong, only the people in that elevator are impacted. Modern automobiles and airplanes are a level higher. There, a larger but still limited segment of the population are potentially impacted by ceding some measure of control to AI. The introduction of AI into governmental functions reaches an entirely different level of concern. Notwithstanding the creation of this body and these hearings, I see nothing to indicate that appropriate safeguards are being seriously contemplated let alone in place.

Date: June 10, 2024

Name: Ross Swartzendruber

Written Comments:

Please consider democratizing AI as the State Government Artificial Intelligence Advisory Council develops AI governance recommendations. Meaningful public participation requires a sociotechnical approach to AI that recognizes the technology's safety and real-world performance are about more than technical engineering, involving broader societal forces like organizational bureaucracy, labor practices, social conventions, and power. The following questions and their corresponding examples offer a starting point for policymakers to incorporate a sociotechnical approach to AI governance.

1. What are the systems around the technology?

Too often, policymakers focus strictly on technical engineering, while paying little attention to the role of broader social systems in determining a technology's outcomes. To better govern Al's safety, policymakers need to identify these "non-technical" social dynamics — decision-making hierarchies, modes of workplace communication, et cetera — and bring them into their policy analysis.

POLICY RECOMMENDATIONS

- Complement audits of Al's technical effectiveness with ongoing evaluations of real-world deployment assessing impacts on people, communities, and environments in which an Al system is deployed.
- Fund research across a wide range of domains to build a stronger empirical base on the economic, environmental, social, and political impacts of AI systems.
- Ensure that the "AI workforce" includes scholars from a range of disciplines who are trained in the empirical study of social dynamics.

2. What is the problem this technology can actually solve?

Amid endless hype around Al's innovations, it's important for policymakers to remember that many technologies are poor fits for solving complex societal problems, and they can often make problems even worse. Governance frameworks should explicitly acknowledge the ways a technology might fail, setting brightline rules delineating where technologies are too unsafe to use and establishing procedures to enable recourse when individual and collective harms occur.

POLICY RECOMMENDATIONS

- Discontinue the use of AI where it fails to empirically demonstrate real-world effectiveness.
- Prohibit the use of AI in sectors where the stakes are too high regardless of technical accuracy, e.g., public benefits determinations or the criminal legal system.
- · Require human recourse or appeal in instances when algorithmic systems fail.

3. What power inequalities are at play?

Seen through a sociotechnical lens, many technology problems are better understood as problems of power. By identifying the power asymmetries involved in tech R&D and deployment, policymakers can better locate the structural conditions that require policy intervention.

POLICY RECOMMENDATIONS

- Strengthen worker input in the deployment of workplace technologies, including by addressing unlawful employer interference of organizing and by prohibiting "chilling" uses of employer surveillance.
- Curtail the widespread collection of data through data minimization and/or prohibitions on data collection in high-risk cases, like mass biometric surveillance.
- To balance information asymmetries, mandate transparency and explainability of algorithmic systems.

As a parent with three children in Oregon public schools, I am concerned about the next unregulated "silver bullet" for education that relies on unproven, error-prone technology. I'm in schools daily as a guest teacher and have experienced the disruption to caused by social media. Unregulated AI is much worse for students than social media because they sacrifice their agency to profit-driven, corporate, black-box decision-making.

The public is better served by AI when data privacy, transparency and accountability protect our civil rights. Innovations that "invisibly" violate civil rights are less likely to occur when developing policy with precautionary principles from the outset. Does it work without violating civil rights?

Ross Swartzendruber

Date: June 11, 2024 **Name:** Kaderick Jones

Written Comments:

How will AI be used in equitable ways in law enforcement, healthcare, and employment practices?

Written Comments:

There have been a number of recent ai governance and collaboration announcements e.g. Al Safety Network (state-level org coordination): https://aiseoulsummit.kr/aiss/ and https://www.commerce.gov/news/press-releases/2024/05/us-secretary-commerce-gina-raimondo-releases-strategic-vision-ai-safety. If state-level orgs are eventually established, it would likely be helpful to collaborate with these orgs (standards, r&d, best practices, regulation/law).

The current plan doesn't seem to include planning for the AI safety R&D that's likely going to be necessary for state deployments (e.g. testing and measurement research, risk assessment research for public/state use cases). Here is a good overview from recent Science article on AI governance: https://www.science.org/doi/10.1126/science.adn0117

A number of states (e.g. CA) are working on Al liability frameworks for risk mitigation, e.g. using existing tort law. For example: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4694006

Written Comments:

FYI: A well-known AI safety researcher's thoughts on the California AI Safety legislation: https://garymarcus.substack.com/p/the-misguided-backlash-against-californias

Written Comments:

A NY Times Article about Al Safety Regulation by States: https://www.nytimes.com/2024/06/10/technology/california-ai-regulation.html

Written Comments:

As pointed out during meeting by council member Hector, the NIST Risk Management Framework is focused on risk assessment by profit-seeking businesses (either creating/building AI and/or using/consuming AI tech), not governments nor the general public. I believe this means that public agencies will have to customize their risk management themselves. Also see this governance paper in science for much more on risk assessment (both R&D concerns as well as management): https://www.science.org/doi/10.1126/science.adn0117

Written Comments:

Question: I haven't yet seen any indication of how the public might be involved in the following areas of governance:

Al gov testing/pilots/deployment Al Technology R&D Transparency and Trust Ongoing/Continuous Risk Assessment

Is there a role for the general public in AI governance in Oregon? What would/should/could it be? Perhaps public participation could be a way to guarantee transparency, as well as reducing the costs associated with these (and other) tasks for the state.

As an experienced believer in community participation and a former Board member of two open source foundations, I think there are many ways to achieve better public trust, public-interested safety and ai tech development, and consensus-driven risk assessment (among other things).

Written Comments:

For the Council's Members: The Center for Al Safety Newsletter is a good resource for info about what's happening wrt Al Safety...in governance, research, policy, community action: https://newsletter.safe.ai/p/ai-safety-newsletter-37-us-launches. Note: Podcast also on spotify.

Written Comments:

For Your Information from AI Safety leadership: https://garymarcus.substack.com/p/the-misguided-backlash-against-californias

Written Comments:

Governance observations for council to consider. These are intended for companies but relevant for state/public services https://www.forbes.com/sites/garydrenik/2024/06/11/governances-role-in-shaping-responsible-ai-development/

Written Comments:

This is an excellent summary of current status wrt open source AI: https://www.emergingtechbrew.com/stories/2024/06/18/what-is-open-source-ai

Written Comments:

This is a discouraging example of the moneyed interest effects on national data privacy legislation: https://thehill.com/homenews/house/4742987-data-privacy-bill-markup-cancelled-after-house-leadership-opposition/

I expect that the efforts to stop AI safety and responsibility legislation in the US will be *worse* than what is going on for these data privacy efforts. Note that although I'm not familiar with the specifics of the bill, rights of action (ability to sue) are apparently a part of this legislation.

Written Comments:

I believe that the points in this article about the federal government also apply to (OR) state government: https://garymarcus.substack.com/p/the-need-for-a-president-that-speaks

Written Comments:

For the council's information. The first comments I've heard publicly by LLM builders (Dario Amodei in this case) about use of AI in government services as a way to break out of only AI for for-profit use cases: https://youtu.be/xm6jNMSFT7g?t=2625

Written Comments:

FYI: public sector services are next on the biz agenda for the AI big tech.

Amazon cloud giant AWS wants public sector to embrace AI

Read more at:

https://telecom.economic times. indiatimes. com/news/internet/amazon-cloud-giant-aws-wants-public-sector-to-embrace-ai/111300192

Question to Council: Will Amazon's AI be required to provide responsible data handling/security, and minimize AI safety and responsibility risks to represent the common good? How will the state enforce that?

Written Comments:

For the council's information: https://www.axios.com/2024/07/02/supreme-court-tech-regulation-chevron

To me this means that the states will get little to no help in getting Al guidelines from laws, congress, or federal agencies (e.g. NIST) with respect to Al (e.g. managing risks). Even existing regulations are now subject to challenge and the resources available for challenge are unassailable.

Please see the last line of the article for thoughts on next steps for states.