

Chapter 496

(Senate Bill 818)

AN ACT concerning

**Information Technology – Artificial Intelligence – Policies and Procedures
(Artificial Intelligence Governance Act of 2024)**

FOR the purpose of requiring each unit of State government to conduct a certain annual data inventory, a certain ~~annual~~ inventory of systems that employ artificial intelligence, and a certain impact assessment on or before a certain date; ~~requiring prohibiting~~ the Department of Information Technology from making certain information publicly available under certain circumstances to conduct ongoing monitoring of certain systems under certain circumstances; requiring the Department of Information Technology, *in consultation with the Governor's Artificial Intelligence Subcabinet of the Governor's Executive Council*, to adopt policies and procedures concerning the development, procurement, ~~implementation~~ deployment, use, and assessment of systems that employ artificial intelligence by units of State government; prohibiting a unit of State government from ~~implementing~~ deploying or using a system that employs artificial intelligence under certain circumstances beginning on a certain date; requiring a unit of State government to conduct certain regular impact assessments under certain circumstances; exempting the Office of the Attorney General, the Comptroller, the Treasurer, and certain public institutions of higher education from certain provisions; ~~establishing the Governor's Artificial Intelligence Subcabinet of the Governor's Executive Council~~; establishing competitive proof of concept procurement as a formal competitive procurement method for the procurement of certain products and services; ~~exempting certain competitive proof of concept procurements from oversight by the Board of Public Works~~; requiring the Department of General Services, in consultation with the Department of Information Technology, to develop certain policies and procedures for the development and implementation of competitive proof of concept procurements; requiring the Subcabinet to develop a certain roadmap; and generally relating to the use of artificial intelligence by units of State government.

BY repealing and reenacting, without amendments,
 Article – State Finance and Procurement
 Section 3.5–101(a), (c), (d), and (f)
 Annotated Code of Maryland
 (2021 Replacement Volume and 2023 Supplement)

BY repealing and reenacting, with amendments,
 Article – State Finance and Procurement
~~Section 3.5–301, 3.5–303(a), and 12–101~~ Section 3.5–301 and 3.5–303(a)
 Annotated Code of Maryland
 (2021 Replacement Volume and 2023 Supplement)

BY adding to

Article – State Finance and Procurement

Section 3.5–318; 3.5–801 through ~~3.5–805~~ 3.5–806 to be under the new subtitle

“Subtitle 8. Artificial Intelligence”; and 13–116

Annotated Code of Maryland

(2021 Replacement Volume and 2023 Supplement)

Preamble

WHEREAS, Artificial intelligence is transforming society and work, and the pace of that change will present new opportunities and risks for the State’s residents, workers, and economy; and

WHEREAS, The State must ensure the responsible, ethical, beneficial, and trustworthy use of artificial intelligence in State government; and

WHEREAS, The State is home to a rich and growing artificial intelligence ecosystem of academic, industry, government, and civil society experts, researchers, builders, organizers, and stakeholders; and

WHEREAS, To foster an environment for innovation while respecting individuals, employees, and civil rights, as artificial intelligence technologies are developed and evolve, the technologies should be analyzed and monitored by government officials, industry experts, consumer protection advocates, and other stakeholders; and

WHEREAS, Given the rapid rate of change in artificial intelligence technologies and industry, the State must chart a principled yet adaptable, pragmatic path forward, so that the technologies’ benefits can be confidently harnessed on behalf of Marylanders and in service of the Governor’s mission to Leave No One Behind; and

WHEREAS, Leaders across State government share a common interest in establishing effective artificial intelligence governance and are committed to working together to develop the legal and policy framework for its responsible use in the State; and

WHEREAS, Automated systems should be safe and effective, developed with consultation from diverse communities, stakeholders, and domain experts to identify concerns, risks, and potential impacts of the systems; and

WHEREAS, Designers, developers, and deployers of automated systems should take proactive and continuous measures to protect individuals and communities from algorithmic discrimination and to use and design systems in an equitable way; and

WHEREAS, Designers, developers, and deployers of automated systems should seek permission and respect decisions regarding collection, use, access, transfer, and deletion of data in appropriate ways and to the greatest extent possible; where not possible, alternative privacy by design safeguards should be used; and

WHEREAS, Designers, developers, and deployers of automated systems should provide generally accessible plain language documentation including clear descriptions of the overall system functioning and the role automation plays, notice that such systems are in use, the individual or organization responsible for the system, and explanations of outcomes that are clear, timely, and accessible; and

WHEREAS, Designers, developers, and deployers of automated systems should consider the specific types of actions for which a human alternative is appropriate, commensurate with the magnitude of the action and risk of harm, along with the extent to which a human alternative would be beneficial to individuals and the public interest; now, therefore,

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – State Finance and Procurement

3.5–101.

(a) In this title the following words have the meanings indicated.

(c) “Department” means the Department of Information Technology.

(d) “Secretary” means the Secretary of Information Technology.

(f) “Unit of State government” means an agency or unit of the Executive Branch of State government.

3.5–301.

(a) In this subtitle the following words have the meanings indicated.

(B) “ARTIFICIAL INTELLIGENCE” HAS THE MEANING STATED IN § 3.5–801 OF THIS TITLE.

[(b)] (C) “Cybersecurity” means processes or capabilities wherein systems, communications, and information are protected and defended against damage, unauthorized use or modification, and exploitation.

[(c)] (D) “Cybersecurity strategy” means a vision, a plan of action, or guiding principles.

[(d)] (E) (1) “Development” means all expenditures for a new information technology system or an enhancement to an existing system including system:

- (i) planning;
- (ii) creation;
- (iii) installation;
- (iv) testing; and
- (v) initial training.

(2) “Development” does not include:

(i) ongoing operating costs, software or hardware maintenance, routine upgrades, or modifications that merely allow for a continuation of the existing level of functionality; or

(ii) expenditures made after a new or enhanced system has been legally accepted by the user and is being used for the business process for which it was intended.

[(e)] (F) “Fund” means the Major Information Technology Development Project Fund.

[(f)] (G) “Information technology” means all electronic information processing, including:

- (1) maintenance;
- (2) telecommunications;
- (3) hardware;
- (4) software; and
- (5) associated services.

[(g)] (H) “Information technology services” means information provided by electronic means by or on behalf of a unit of State government.

[(h)] (I) “Major information technology development project” means any information technology development project that meets one or more of the following criteria:

- (1) the estimated total cost of development equals or exceeds \$1,000,000;

(2) the project is undertaken to support a critical business function associated with the public health, education, safety, or financial well-being of the citizens of Maryland; or

(3) the Secretary determines that the project requires the special attention and consideration given to a major information technology development project due to:

- (i) the significance of the project's potential benefits or risks;
- (ii) the impact of the project on the public or local governments;
- (iii) the public visibility of the project; or
- (iv) other reasons as determined by the Secretary.

[(i)] (J) "Master plan" means the statewide information technology master plan and statewide cybersecurity strategy.

[(j)] (K) "Nonvisual access" means the ability, through keyboard control, synthesized speech, Braille, or other methods not requiring sight to receive, use, and manipulate information and operate controls necessary to access information technology in accordance with standards adopted under § 3.5–303(b) of this subtitle.

[(k)] (L) "Resource sharing" means the utilization of a State resource by private industry in exchange for the provision to the State of a communication service or other consideration.

[(l)] (M) "Systems development life cycle plan" means a plan that defines all actions, functions, or activities to be performed by a unit of State government in the definition, planning, acquisition, development, testing, implementation, operation, enhancement, and modification of information technology systems.

3.5–303.

(a) The Secretary is responsible for carrying out the following duties:

(1) developing, maintaining, revising, and enforcing information technology policies, procedures, and standards;

(2) providing technical assistance, advice, and recommendations to the Governor and any unit of State government concerning information technology matters;

(3) reviewing the annual project plan for each unit of State government to make information and services available to the public over the Internet;

(4) developing and maintaining a statewide information technology master plan that will:

(i) centralize the management and direction of information technology policy within the Executive Branch of State government under the control of the Department;

(ii) include all aspects of State information technology including telecommunications, security, data processing, and information management;

(iii) consider interstate transfers as a result of federal legislation and regulation;

(iv) ensure that the State information technology plan and related policies and standards are consistent with State goals, objectives, and resources, and represent a long-range vision for using information technology to improve the overall effectiveness of State government;

(v) include standards to assure nonvisual access to the information and services made available to the public over the Internet; and

(vi) allows a State agency to maintain the agency's own information technology unit that provides for information technology services to support the mission of the agency;

(5) developing and maintaining a statewide cybersecurity strategy that will:

(i) centralize the management and direction of cybersecurity strategy within the Executive Branch of State government under the control of the Department; and

(ii) serve as the basis for budget allocations for cybersecurity preparedness for the Executive Branch of State government;

(6) adopting by regulation and enforcing nonvisual access standards to be used in the procurement of information technology services by or on behalf of units of State government in accordance with subsection (c) of this section;

(7) in consultation with the Maryland Cybersecurity Coordinating Council, advising and overseeing a consistent cybersecurity strategy for units of State government, including institutions under the control of the governing boards of the public institutions of higher education;

(8) advising and consulting with the Legislative and Judicial branches of State government regarding a cybersecurity strategy;

(9) in consultation with the Maryland Cybersecurity Coordinating Council, developing guidance on consistent cybersecurity strategies for counties, municipal corporations, school systems, and all other political subdivisions of the State;

(10) upgrading information technology and cybersecurity-related State government infrastructure; [and]

(11) annually evaluating:

(i) the feasibility of units of State government providing public services using artificial intelligence, machine learning, commercial cloud computer services, device-as-a-service procurement models, and other emerging technologies; and

(ii) the development of data analytics capabilities to enable data-driven policymaking by units of State government; AND

(12) CONDUCTING INVENTORIES ~~AND ONGOING ASSESSMENTS~~ OF SYSTEMS THAT EMPLOY ARTIFICIAL INTELLIGENCE THAT ARE USED BY A UNIT OF STATE GOVERNMENT AS REQUIRED UNDER ~~§ 3.5-318 OF THIS SUBTITLE~~ § 3.5-803 OF THIS TITLE.

3.5-318.

(A) ON OR BEFORE DECEMBER 1, 2024, AND ANNUALLY THEREAFTER, EACH UNIT OF STATE GOVERNMENT SHALL CONDUCT A DATA INVENTORY THAT IDENTIFIES DATA THAT MEETS THE CRITERIA ESTABLISHED BY THE CHIEF DATA OFFICER AND THAT IS:

(1) (I) NECESSARY FOR THE OPERATION OF THE UNIT; OR

(II) OTHERWISE REQUIRED TO BE COLLECTED:

1. AS A CONDITION TO RECEIVE FEDERAL FUNDS; OR

2. BY FEDERAL OR STATE LAW; AND

(2) IN A FORM PRESCRIBED BY THE CHIEF DATA OFFICER, INCLUDING WHEN THE DATA IS USED IN ARTIFICIAL INTELLIGENCE.

(B) THE DEPARTMENT SHALL DEVELOP AND PUBLISH GUIDANCE ON THE POLICIES AND PROCEDURES FOR THE INVENTORY.

SUBTITLE 8. ARTIFICIAL INTELLIGENCE.

3.5–801.

(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) (1) “ALGORITHMIC DECISION SYSTEM” MEANS A COMPUTATIONAL PROCESS THAT FACILITATES DECISION MAKING.

(2) “ALGORITHMIC DECISION SYSTEM” INCLUDES DECISIONS DERIVED FROM MACHINES, STATISTICS, FACIAL RECOGNITION, AND DECISIONS ON PAPER.

(C) “ARTIFICIAL INTELLIGENCE” MEANS A MACHINE–BASED SYSTEM THAT:

(1) CAN, FOR A GIVEN SET OF HUMAN–DEFINED OBJECTIVES, MAKE PREDICTIONS, RECOMMENDATIONS, OR DECISIONS INFLUENCING REAL OR VIRTUAL ENVIRONMENTS;

(2) USES MACHINE AND HUMAN–BASED INPUTS TO PERCEIVE REAL AND VIRTUAL ENVIRONMENTS AND ABSTRACTS THOSE PERCEPTIONS INTO MODELS THROUGH ANALYSIS IN AN AUTOMATED MANNER; AND

(3) USES MODEL INFERENCE TO FORMULATE OPTIONS FOR INFORMATION OR ACTION.

~~(D) “HIGH RISK” MEANS AN ACT THAT IS LIKELY TO:~~

~~(1) RESULT IN ANY UNLAWFUL DISCRIMINATION;~~

~~(2) HAVE AN UNLAWFUL DISPARATE IMPACT ON ANY INDIVIDUAL OR GROUP OF INDIVIDUALS ON THE BASIS OF ANY ACTUAL OR PERCEIVED CHARACTERISTIC; OR~~

~~(3) HAVE A NEGATIVE IMPACT ON THE HEALTH, SAFETY, OR WELL BEING OF AN INDIVIDUAL.~~

~~(E) (D) “IMPACT ASSESSMENT” MEANS A DOCUMENTED RISK BASED EVALUATION OF A SYSTEM THAT EMPLOYS RIGHTS IMPACTING OR SAFETY IMPACTING ARTIFICIAL INTELLIGENCE.~~

(D) (1) “HIGH-RISK ARTIFICIAL INTELLIGENCE” MEANS ARTIFICIAL INTELLIGENCE THAT IS A RISK TO INDIVIDUALS OR COMMUNITIES, AS DEFINED

UNDER REGULATIONS ADOPTED BY THE DEPARTMENT IN CONSULTATION WITH THE GOVERNOR'S ARTIFICIAL INTELLIGENCE SUBCABINET.

(2) "HIGH-RISK ARTIFICIAL INTELLIGENCE" INCLUDES RIGHTS-IMPACTING ARTIFICIAL INTELLIGENCE AND SAFETY-IMPACTING ARTIFICIAL INTELLIGENCE.

(E) "IMPACT ASSESSMENT" MEANS AN ASSESSMENT OF ARTIFICIAL INTELLIGENCE SYSTEMS MADE UNDER REGULATIONS ADOPTED BY THE DEPARTMENT IN CONSULTATION WITH THE GOVERNOR'S ARTIFICIAL INTELLIGENCE SUBCABINET AND REQUIRED UNDER § 3.5-803 OF THIS SUBTITLE.

~~(E)~~ (F) "PUBLIC SENIOR HIGHER EDUCATION INSTITUTION" MEANS:

(1) THE CONSTITUENT INSTITUTIONS OF THE UNIVERSITY SYSTEM OF MARYLAND AND THE UNIVERSITY OF MARYLAND CENTER FOR ENVIRONMENTAL SCIENCE;

(2) MORGAN STATE UNIVERSITY; OR

(3) ST. MARY'S COLLEGE OF MARYLAND.

~~(F)~~ (G) "RIGHTS-IMPACTING ARTIFICIAL INTELLIGENCE" MEANS ARTIFICIAL INTELLIGENCE WHOSE OUTPUT SERVES AS A BASIS FOR DECISION OR ACTION THAT HAS A LEGAL, MATERIAL, OR SIMILARLY SIGNIFICANT EFFECT ON AN INDIVIDUAL'S OR COMMUNITY'S:

~~(1) CIVIL RIGHTS, CIVIL LIBERTIES, OR PRIVACY, INCLUDING FREEDOM OF SPEECH, VOTING, HUMAN AUTONOMY, AND PROTECTIONS FROM DISCRIMINATION, EXCESSIVE PUNISHMENT, AND UNLAWFUL SURVEILLANCE;~~

~~(2) EQUAL OPPORTUNITIES, INCLUDING EQUITABLE ACCESS TO EDUCATION, HOUSING, CREDIT, EMPLOYMENT, AND OTHER SITUATIONS WHERE CIVIL RIGHTS AND EQUAL OPPORTUNITY PROTECTIONS APPLY; OR~~

~~(3) ACCESS TO CRITICAL RESOURCES OR SERVICES, INCLUDING HEALTH CARE, FINANCIAL SERVICES, SOCIAL SERVICES, TRANSPORTATION, NONDECEPTIVE INFORMATION ABOUT GOODS AND SERVICES, AND GOVERNMENT BENEFITS OR PRIVILEGES. IS SIGNIFICANTLY LIKELY TO AFFECT CIVIL RIGHTS, CIVIL LIBERTIES, EQUAL OPPORTUNITIES, ACCESS TO CRITICAL RESOURCES, OR PRIVACY.~~

~~(G)~~ (H) "SAFETY-IMPACTING ARTIFICIAL INTELLIGENCE" MEANS ARTIFICIAL INTELLIGENCE THAT HAS THE POTENTIAL TO MEANINGFULLY

SIGNIFICANTLY IMPACT THE SAFETY OF INDIVIDUALS AND COMMUNITIES REGARDING:

(1) HUMAN LIFE OR WELL-BEING, INCLUDING LOSS OF LIFE, SERIOUS INJURY, BODILY HARM, BIOLOGICAL OR CHEMICAL WEAPONS, OCCUPATIONAL HAZARDS, HARASSMENT OR ABUSE, OR MENTAL HEALTH;

(2) THE CLIMATE OR THE ENVIRONMENT, INCLUDING IRREVERSIBLE OR SIGNIFICANT ENVIRONMENTAL DAMAGE;

(3) CRITICAL INFRASTRUCTURE, INCLUDING THE INFRASTRUCTURE FOR VOTING AND PROTECTING THE INTEGRITY OF ELECTIONS; OR

(4) STRATEGIC ASSETS OR RESOURCES, INCLUDING INTELLECTUAL PROPERTY, OF HUMAN LIFE, WELL-BEING, OR CRITICAL INFRASTRUCTURE.

3.5-802.

(A) THIS SUBTITLE APPLIES TO EACH PUBLIC SENIOR HIGHER EDUCATION INSTITUTION AND BALTIMORE CITY COMMUNITY COLLEGE IN A PARTNERSHIP FOR THE DEVELOPMENT, PROCUREMENT, DEPLOYMENT, OR USE OF ARTIFICIAL INTELLIGENCE WITH A UNIT OF STATE GOVERNMENT.

(B) EXCEPT AS PROVIDED IN § 3.5-804(D) OF THIS SUBTITLE, THIS SUBTITLE DOES NOT APPLY TO ARTIFICIAL INTELLIGENCE DEPLOYED BY PUBLIC SENIOR HIGHER EDUCATION INSTITUTIONS OR BALTIMORE CITY COMMUNITY COLLEGE USED SOLELY FOR A RESEARCH OR ACADEMIC PURPOSE, INCLUDING IN A PARTNERSHIP FOR THE DEVELOPMENT, PROCUREMENT, DEPLOYMENT, OR USE OF ARTIFICIAL INTELLIGENCE WITH A UNIT OF STATE GOVERNMENT.

(C) A PUBLIC SENIOR HIGHER EDUCATION INSTITUTION OR BALTIMORE CITY COMMUNITY COLLEGE SHALL ESTABLISH POLICIES AND PROCEDURES THAT ARE FUNCTIONALLY COMPATIBLE WITH THE POLICIES AND PROCEDURES ADOPTED UNDER § 3.5-804(A) OF THIS SUBTITLE FOR ARTIFICIAL INTELLIGENCE DEPLOYED FOR AN OPERATIONS-RELATED PURPOSE.

(A) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THIS SUBTITLE DOES NOT APPLY TO:

(I) THE OFFICE OF THE ATTORNEY GENERAL;

(II) THE COMPTROLLER; OR

(III) THE STATE TREASURER.

(2) ON OR BEFORE JUNE 1, 2025, EACH ENTITY LISTED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL ESTABLISH POLICIES AND PROCEDURES THAT ARE FUNCTIONALLY COMPATIBLE WITH THE POLICIES AND PROCEDURES ADOPTED UNDER § 3.5-804(A) OF THIS SUBTITLE FOR THE DEVELOPMENT, PROCUREMENT, DEPLOYMENT, USE, AND ONGOING ASSESSMENT OF SYSTEMS THAT EMPLOY HIGH-RISK ARTIFICIAL INTELLIGENCE.

(B) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THIS SUBTITLE APPLIES TO EACH PUBLIC SENIOR HIGHER EDUCATION INSTITUTION AND BALTIMORE CITY COMMUNITY COLLEGE.

(2) THIS SUBTITLE DOES NOT APPLY TO ARTIFICIAL INTELLIGENCE DEPLOYED BY A PUBLIC SENIOR HIGHER EDUCATION INSTITUTION OR BALTIMORE CITY COMMUNITY COLLEGE THAT IS USED SOLELY FOR A RESEARCH OR ACADEMIC PURPOSE, INCLUDING IN PARTNERSHIP WITH A UNIT OF STATE GOVERNMENT FOR THE DEVELOPMENT, PROCUREMENT, DEPLOYMENT, OR USE OF ARTIFICIAL INTELLIGENCE.

(3) ON OR BEFORE JUNE 1, 2025, EACH PUBLIC SENIOR HIGHER EDUCATION INSTITUTION AND BALTIMORE CITY COMMUNITY COLLEGE SHALL ESTABLISH POLICIES AND PROCEDURES THAT ARE FUNCTIONALLY COMPATIBLE WITH THE POLICIES AND PROCEDURES ADOPTED UNDER § 3.5-804(A) OF THIS SUBTITLE FOR THE DEVELOPMENT, PROCUREMENT, DEPLOYMENT, USE, AND ONGOING ASSESSMENT OF SYSTEMS THAT EMPLOY HIGH-RISK ARTIFICIAL INTELLIGENCE USED SOLELY FOR A RESEARCH OR ACADEMIC PURPOSE.

(4) ON OR BEFORE SEPTEMBER 1, 2025, AND EACH YEAR THEREAFTER, EACH PUBLIC SENIOR HIGHER EDUCATION INSTITUTION AND BALTIMORE CITY COMMUNITY COLLEGE SHALL SUBMIT TO THE DEPARTMENT A REPORT ON ALL HIGH-RISK ARTIFICIAL INTELLIGENCE PROCURED AND DEPLOYED FOR A RESEARCH OR ACADEMIC PURPOSE.

3.5-803.

(A) ON OR BEFORE DECEMBER 1, ~~2024~~ 2025, AND ~~ANNUALLY~~ REGULARLY THEREAFTER, EACH UNIT OF STATE GOVERNMENT SHALL:

(1) CONDUCT AN INVENTORY OF SYSTEMS THAT EMPLOY ~~RIGHTS IMPACTING OR SAFETY IMPACTING~~ HIGH-RISK ARTIFICIAL INTELLIGENCE; AND

(2) PROVIDE THE INVENTORY TO THE DEPARTMENT IN A FORMAT REQUIRED BY THE DEPARTMENT.

(B) FOR EACH SYSTEM, THE INVENTORY REQUIRED BY THIS SECTION SHALL INCLUDE:

(1) THE NAME OF THE SYSTEM;

(2) THE VENDOR THAT PROVIDED THE SYSTEM, IF APPLICABLE;

(3) A DESCRIPTION OF THE CAPABILITIES OF THE SYSTEM;

(4) A STATEMENT OF THE PURPOSE AND THE INTENDED USES OF THE SYSTEM;

(5) WHETHER THE SYSTEM UNDERWENT AN IMPACT ASSESSMENT PRIOR TO BEING ~~IMPLEMENTED~~ DEPLOYED;

(6) WHETHER THE SYSTEM IS USED TO INDEPENDENTLY MAKE A DECISION OR JUDGMENT OR TO INFORM OR SUPPORT A DECISION OR JUDGMENT DETERMINED BY THE DEPARTMENT TO INVOLVE ~~A HIGH-RISK ACTION RIGHTS IMPACTING OR SAFETY IMPACTING~~ HIGH-RISK ARTIFICIAL INTELLIGENCE; AND

(7) ~~A DETERMINATION OF THE RISK THAT USE OF A SYSTEM MAY BE HIGH-RISK~~ SUMMARY OF THE RESULTS OF THE MOST RECENT IMPACT ASSESSMENT.

(C) THE DEPARTMENT SHALL MAKE ~~EACH INVENTORY REQUIRED BY THIS SECTION~~ AN AGGREGATED STATEWIDE INVENTORY PUBLICLY AVAILABLE ON ITS WEBSITE.

(D) (1) THE DEPARTMENT MAY NOT MAKE PUBLICLY AVAILABLE ON THE DEPARTMENT'S WEBSITE INFORMATION FROM THE INVENTORIES REQUIRED BY THIS SECTION THAT RELATE TO THE SAFETY AND SECURITY OF STATE SYSTEMS IF THE PUBLICATION OF THE INFORMATION IS LIKELY TO COMPROMISE THE SECURITY OR INTEGRITY OF THE SYSTEM.

(2) ON REQUEST, THE DEPARTMENT SHALL PROVIDE TO THE GOVERNOR, MEMBERS OF THE GENERAL ASSEMBLY, AND LAW ENFORCEMENT THE INFORMATION DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION.

(E) (1) ON OR BEFORE ~~FEBRUARY 1, 2025,~~ DECEMBER 31, 2025 2026, EACH UNIT OF STATE GOVERNMENT SHALL CONDUCT AN IMPACT ASSESSMENT OF A

~~SYSTEM PROCURED ON OR AFTER FEBRUARY 1, 2025 2026, THAT INVOLVES A HIGH-RISK ACTION RIGHTS IMPACTING OR SAFETY IMPACTING HIGH-RISK ARTIFICIAL INTELLIGENCE.~~

~~(2) ON OR BEFORE FEBRUARY JULY 1, 2027, EACH UNIT OF STATE GOVERNMENT SHALL CONDUCT AN IMPACT ASSESSMENT OF A SYSTEM PROCURED BEFORE FEBRUARY 1, 2025 2026, THAT INVOLVES RIGHTS IMPACTING OR SAFETY IMPACTING HIGH-RISK ARTIFICIAL INTELLIGENCE.~~

~~3.5-803. 3.5-804.~~

(A) ON OR BEFORE DECEMBER 1, 2024, THE DEPARTMENT, IN CONSULTATION WITH THE GOVERNOR'S ARTIFICIAL INTELLIGENCE SUBCABINET, SHALL ADOPT POLICIES AND PROCEDURES CONCERNING THE DEVELOPMENT, PROCUREMENT, ~~IMPLEMENTATION~~ DEPLOYMENT, USE, AND ONGOING ASSESSMENT OF SYSTEMS THAT EMPLOY ~~RIGHTS IMPACTING OR SAFETY IMPACTING~~ HIGH-RISK ARTIFICIAL INTELLIGENCE BY A UNIT OF STATE GOVERNMENT.

(B) THE POLICIES AND PROCEDURES REQUIRED BY SUBSECTION (A) OF THIS SECTION SHALL:

(1) SUBJECT TO ANY OTHER APPLICABLE LAW, GOVERN THE PROCUREMENT, ~~IMPLEMENTATION~~ DEPLOYMENT, AND ONGOING ASSESSMENT OF SYSTEMS THAT EMPLOY ~~RIGHTS IMPACTING OR SAFETY IMPACTING~~ HIGH-RISK ARTIFICIAL INTELLIGENCE BY A UNIT OF STATE GOVERNMENT;

~~(2) BE SUFFICIENT TO ENSURE THAT THE USE OF ANY SYSTEM THAT EMPLOYS ARTIFICIAL INTELLIGENCE BY ANY UNIT OF STATE GOVERNMENT IS NOT HIGH-RISK;~~

~~(3) REQUIRE EACH UNIT OF STATE GOVERNMENT TO ASSESS THE LIKELY IMPACT OF ANY SYSTEM THAT EMPLOYS ARTIFICIAL INTELLIGENCE BEFORE IMPLEMENTING THE SYSTEM;~~

(2) DEFINE THE CRITERIA FOR AN INVENTORY OF SYSTEMS THAT EMPLOY ~~RIGHTS IMPACTING OR SAFETY IMPACTING~~ HIGH-RISK ARTIFICIAL INTELLIGENCE;

~~(3) GOVERN THE PROCUREMENT, DEPLOYMENT, USE, AND ONGOING ASSESSMENT OF SYSTEMS THAT EMPLOY RIGHTS IMPACTING OR SAFETY IMPACTING ARTIFICIAL INTELLIGENCE FOR AN OPERATIONS RELATED PURPOSE BY A UNIT OF STATE GOVERNMENT IN PARTNERSHIP WITH A PUBLIC SENIOR HIGHER EDUCATION INSTITUTION OR WITH BALTIMORE CITY COMMUNITY COLLEGE;~~

(3) BE SUFFICIENT TO ENSURE THAT THE USE OF ANY SYSTEM THAT EMPLOYS ARTIFICIAL INTELLIGENCE BY A UNIT OF STATE GOVERNMENT IS GOVERNED BY ADEQUATE GUARDRAILS TO PROTECT INDIVIDUALS AND COMMUNITIES;

(4) IF THE DEPARTMENT IS NOTIFIED THAT AN INDIVIDUAL OR GROUP OF INDIVIDUALS MAY HAVE BEEN NEGATIVELY IMPACTED BY A SYSTEM THAT EMPLOYS HIGH-RISK ARTIFICIAL INTELLIGENCE, REQUIRE THE DEPARTMENT TO:

(I) NOTIFY AN INDIVIDUAL OR A GROUP OF INDIVIDUALS DETERMINED TO HAVE BEEN NEGATIVELY IMPACTED BY A SYSTEM THAT EMPLOYS RIGHTS IMPACTING OR SAFETY IMPACTING HIGH-RISK ARTIFICIAL INTELLIGENCE; AND

(II) PROVIDE GUIDANCE TO AN INDIVIDUAL OR A GROUP OF INDIVIDUALS DETERMINED TO HAVE BEEN NEGATIVELY IMPACTED BY A SYSTEM THAT EMPLOYS RIGHTS IMPACTING OR SAFETY IMPACTING HIGH-RISK ARTIFICIAL INTELLIGENCE ON AVAILABLE OPTIONS TO OPT OUT OF THE SYSTEM; AND

(5) PROVIDE GUIDANCE TO UNITS OF STATE GOVERNMENT ON PROCUREMENT OF A SYSTEM THAT EMPLOYS RIGHTS IMPACTING OR SAFETY IMPACTING HIGH-RISK ARTIFICIAL INTELLIGENCE THAT ENSURES DATA PRIVACY AND COMPLIANCE WITH APPLICABLE STATUTES AND REGULATIONS.

(C) THE DEPARTMENT SHALL MAKE THE POLICIES AND PROCEDURES REQUIRED BY SUBSECTION (A) OF THIS SECTION PUBLICLY AVAILABLE ON ITS WEBSITE WITHIN 45 DAYS AFTER THE POLICIES AND PROCEDURES ARE ADOPTED.

~~(D) EACH PUBLIC SENIOR HIGHER EDUCATION INSTITUTION AND BALTIMORE CITY COMMUNITY COLLEGE SHALL SUBMIT TO THE DEPARTMENT AN ANNUAL REPORT ON ARTIFICIAL INTELLIGENCE PROCURED AND DEPLOYED.~~

~~3.5-804. 3.5-805.~~

(A) BEGINNING ~~JULY~~ JANUARY JULY 1, 2025, A UNIT OF STATE GOVERNMENT MAY NOT PROCURE OR ~~IMPLEMENT A~~ DEPLOY A NEW SYSTEM THAT EMPLOYS ARTIFICIAL INTELLIGENCE UNLESS THE SYSTEM COMPLIES WITH THE POLICIES AND PROCEDURES ADOPTED UNDER ~~§ 3.5-803~~ 3.5-804 OF THIS SUBTITLE.

(B) A UNIT OF STATE GOVERNMENT THAT EMPLOYS ~~RIGHTS IMPACTING OR SAFETY IMPACTING~~ HIGH-RISK ARTIFICIAL INTELLIGENCE SHALL CONDUCT

REGULAR IMPACT ASSESSMENTS, AS DETERMINED BY THE GOVERNOR'S ARTIFICIAL INTELLIGENCE SUBCABINET OF THE GOVERNOR'S EXECUTIVE COUNCIL.

~~3.5-805~~, 3.5-806.

(A) THERE IS A GOVERNOR'S ARTIFICIAL INTELLIGENCE SUBCABINET OF THE GOVERNOR'S EXECUTIVE COUNCIL.

(B) THE PURPOSE OF THE SUBCABINET IS TO FACILITATE AND ENHANCE COOPERATION AMONG UNITS OF STATE GOVERNMENT, IN CONSULTATION WITH ACADEMIC INSTITUTIONS AND INDUSTRIES UTILIZING ARTIFICIAL INTELLIGENCE.

(C) THE SUBCABINET CONSISTS OF THE FOLLOWING MEMBERS:

- (1) THE SECRETARY, OR THE SECRETARY'S DESIGNEE;
- (2) THE SECRETARY OF BUDGET AND MANAGEMENT, OR THE SECRETARY'S DESIGNEE;
- (3) THE SECRETARY OF GENERAL SERVICES, OR THE SECRETARY'S DESIGNEE;
- (4) THE SECRETARY OF LABOR, OR THE SECRETARY'S DESIGNEE;
- (5) THE SECRETARY OF COMMERCE, OR THE SECRETARY'S DESIGNEE;
- (6) THE DIRECTOR OF THE GOVERNOR'S OFFICE OF HOMELAND SECURITY, OR THE DIRECTOR'S DESIGNEE;
- (7) THE CHIEF PRIVACY OFFICER, OR THE CHIEF PRIVACY OFFICER'S DESIGNEE;
- (8) THE CHIEF DATA OFFICER, OR THE CHIEF DATA OFFICER'S DESIGNEE;
- (9) THE CHIEF INFORMATION SECURITY OFFICER, OR THE CHIEF INFORMATION SECURITY OFFICER'S DESIGNEE;
- (10) THE GOVERNOR'S SENIOR ADVISOR FOR RESPONSIBLE ARTIFICIAL INTELLIGENCE, OR THE SENIOR ADVISOR'S DESIGNEE; AND
- (11) ANY OTHER MEMBER OF THE GOVERNOR'S EXECUTIVE COUNCIL, APPOINTED BY THE GOVERNOR.

(D) THE SECRETARY SHALL CHAIR THE SUBCABINET.

(E) THE SUBCABINET SHALL:

(1) DEVELOP STRATEGY, POLICY, AND MONITORING PROCESSES FOR RESPONSIBLE AND PRODUCTIVE USE OF ARTIFICIAL INTELLIGENCE AND ASSOCIATED DATA BY UNITS OF STATE GOVERNMENT;

(2) OVERSEE THE STATE'S IMPLEMENTATION OF:

(I) ARTIFICIAL INTELLIGENCE INVENTORY;

(II) ~~DATA INVENTORY;~~

~~(III) ARTIFICIAL INTELLIGENCE IMPACT ASSESSMENTS;~~

~~(IV) (III) MONITORING OF ARTIFICIAL INTELLIGENCE INVOLVING A HIGH-RISK ACTION RIGHTS IMPACTING OR SAFETY IMPACTING ARTIFICIAL INTELLIGENCE; AND~~

(III) MONITORING OF HIGH-RISK ARTIFICIAL INTELLIGENCE;

AND

~~(V) (IV) COMPLIANCE WITH STATE POLICIES AND PROCEDURES;~~

(3) SUPPORT ARTIFICIAL INTELLIGENCE AND DATA INNOVATION ACROSS UNITS OF STATE GOVERNMENT ~~AND IN PRIVATE SECTOR ENTERPRISE BY;~~

~~(I) IDENTIFYING AND PRIORITIZING BEST USES OF ARTIFICIAL INTELLIGENCE IN EACH UNIT OF STATE GOVERNMENT AND IN PRIVATE SECTOR ENTERPRISE;~~

~~(II) TESTING PROOFS OF CONCEPT OF PRIORITY ARTIFICIAL INTELLIGENCE USE IN PROTOTYPING;~~

~~(III) REDUCING BARRIERS TO THE RESPONSIBLE USE OF ARTIFICIAL INTELLIGENCE AND STATE DATA;~~

~~(IV) DEVELOPING SUCCESSFUL ARTIFICIAL INTELLIGENCE PILOTS INTO PRODUCTION; AND~~

~~(V) TRAINING AND WORKFORCE DEVELOPMENT;~~

(4) DEVELOP AND IMPLEMENT A COMPREHENSIVE ACTION PLAN FOR RESPONSIBLE AND PRODUCTIVE USE OF ARTIFICIAL INTELLIGENCE AND ASSOCIATED DATA BY UNITS OF STATE GOVERNMENT;

(5) ESTABLISH PARTNERSHIPS, MEMORANDA OF UNDERSTANDING, AND CONTRACTS TO SUPPORT THE AIMS OF THIS SECTION;

(6) PROMOTE ARTIFICIAL INTELLIGENCE KNOWLEDGE, SKILLS, AND TALENT IN STATE GOVERNMENT ~~BY:~~

~~(I) IDENTIFYING AND OFFERING TRAINING PROGRAMS FOR STATE WORKERS ON THE USE OF ARTIFICIAL INTELLIGENCE AND PARTICULARLY GENERATIVE ARTIFICIAL INTELLIGENCE; AND~~

~~(II) EXPLORING WAYS TO PROVIDE EXTERNAL ARTIFICIAL INTELLIGENCE TALENT AN OPPORTUNITY TO SERVE THE STATE AND UNITS OF STATE GOVERNMENT IN TARGETED, SHORT TERM PROJECTS, INCLUDING BY LEVERAGING INSTITUTIONS OF HIGHER EDUCATION OR INDUSTRY; AND~~

(7) IDENTIFY ARTIFICIAL INTELLIGENCE USE CASES AND BUILD FOUNDATIONAL INFRASTRUCTURE BY REQUIRING:

(I) THE DEPARTMENT TO EVALUATE RELEVANT INFRASTRUCTURE TO SAFELY, SECURELY, AND EFFICIENTLY TEST ARTIFICIAL INTELLIGENCE PROOFS OF CONCEPT AND PILOTS;

(II) THE DEPARTMENT OF GENERAL SERVICES, IN CONSULTATION WITH THE DEPARTMENT, TO CREATE A MODEL FOR RUNNING AND PROCURING ARTIFICIAL INTELLIGENCE PROOFS OF CONCEPT AND PILOTS, IN ACCORDANCE WITH STATE LAWS, REGULATIONS, AND POLICIES; AND

(III) THE DEPARTMENT, IN CONSULTATION WITH THE SUBCABINET, TO COORDINATE WITH AGENCIES TO PROVIDE SUPPORT IN IDENTIFYING AND PRIORITIZING USE CASES AND EXECUTING PROOFS OF CONCEPT AND PILOTS ALIGNED WITH THE GOVERNOR'S PRIORITIES.

(F) THE GOVERNOR SHALL PROVIDE THE SUBCABINET WITH SUFFICIENT RESOURCES TO PERFORM THE FUNCTIONS OF THIS SECTION.

~~(G) FOR EACH FISCAL YEAR, THE GOVERNOR MAY INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF UP TO \$3,000,000 FOR PARTNERSHIPS AND CONTRACTS TO SUPPORT THE FUNCTIONS REQUIRED IN THIS SECTION.~~

~~12-101.~~

~~(a) This section does not apply to:~~

~~(1) capital expenditures by the Department of Transportation or the Maryland Transportation Authority, in connection with State roads, bridges, or highways, as provided in § 12-202 of this title; [or]~~

~~(2) procurements by the Department of General Services AND THE DEPARTMENT OF INFORMATION TECHNOLOGY for the purpose of modernizing INFORMATION TECHNOLOGY AND cybersecurity infrastructure for the State valued below \$1,000,000; OR~~

~~(3) COMPETITIVE PROOF OF CONCEPT PROCUREMENTS VALUED BELOW \$1,000,000 MADE UNDER § 13-116 OF THIS ARTICLE.~~

~~(b) (1) The Board may control procurement by units.~~

~~(2) To implement the provisions of this Division II, the Board may:~~

~~(i) set policy;~~

~~(ii) adopt regulations, in accordance with Title 10, Subtitle 1 of the State Government Article; and~~

~~(iii) establish internal operational procedures consistent with this Division II.~~

~~(3) The Board shall ensure that the regulations of the primary procurement units provide for procedures that are consistent with this Division II and Title 13, Subtitle 4 of the State Personnel and Pensions Article and, to the extent the circumstances of a particular type of procurement or a particular unit do not require otherwise, are substantially the same.~~

~~(4) The Board may delegate any of its authority that it determines to be appropriate for delegation and may require prior Board approval for specified procurement actions.~~

~~(5) Except as limited by the Maryland Constitution, the Board may exercise any control authority conferred on a primary procurement unit by this Division II and, to the extent that its action conflicts with the action of the primary procurement unit, the action of the Board shall prevail.~~

~~(e) On or before December 1 each year, the Department of General Services shall submit a report to the Board on procurements made under subsection (a)(2) of this section that shall include for each procurement:~~

- ~~(1) the purpose of the procurement;~~
- ~~(2) the name of the contractor;~~
- ~~(3) the contract amount;~~
- ~~(4) the method of procurement utilized;~~
- ~~(5) the number of bidders who bid on the procurement; and~~
- ~~(6) the contract term.~~

~~(d) ON OR BEFORE DECEMBER 1 EACH YEAR, THE DEPARTMENT OF GENERAL SERVICES SHALL SUBMIT A REPORT TO THE BOARD ON PROCUREMENTS MADE UNDER SUBSECTION (A)(3) OF THIS SECTION THAT SHALL INCLUDE FOR EACH PROCUREMENT:~~

- ~~(1) THE PURPOSE OF THE PROCUREMENT;~~
 - ~~(2) THE NAME OF THE CONTRACTOR;~~
 - ~~(3) THE CONTRACT AMOUNT;~~
 - ~~(4) THE NUMBER OF PROPOSALS RECEIVED ON THE PROCUREMENT;~~
- ~~AND~~
- ~~(5) THE CONTRACT TERM.~~

13-116.

(A) IN THIS SECTION, "PROOF OF CONCEPT" MEANS A TEST, EVALUATION, DEMONSTRATION, OR PILOT PROJECT OF A ~~GOOD OR SERVICE~~ GOOD, SERVICE, OR TECHNOLOGY IN A REAL-WORLD ENVIRONMENT TO EVALUATE WHETHER THE ~~GOOD OR SERVICE~~ GOOD, SERVICE, OR TECHNOLOGY CAN BE SUCCESSFULLY DEPLOYED AND IS BENEFICIAL TO THE STATE.

(B) (1) A COMPETITIVE PROOF OF CONCEPT PROCUREMENT IS A FORMAL COMPETITIVE PROCUREMENT METHOD THAT MAY BE USED TO SOLICIT PROPOSALS FOR THE CONDUCT OF A PROOF OF CONCEPT PRIOR TO FULL IMPLEMENTATION WHEN THE HEAD OF A UNIT DETERMINES THE PROCESS TO BE APPROPRIATE AND IN THE BEST INTERESTS OF THE UNIT, INCLUDING:

(I) TESTING SOFTWARE-AS-A-SERVICE OR OFF-THE-SHELF SOFTWARE;

(II) TESTING NEW, INNOVATIVE PRODUCTS OR SERVICES; OR

(III) TESTING A PRODUCT OR SERVICE CONCEPTUALIZED OR CONCEIVED OF BY A UNIT OF STATE GOVERNMENT.

(2) (I) AFTER OBTAINING THE APPROVAL OF THE HEAD OF THE UNIT AND BEFORE CONDUCTING A COMPETITIVE PROOF OF CONCEPT PROCUREMENT, THE UNIT SHALL OBTAIN APPROVAL FROM THE SECRETARY OF INFORMATION TECHNOLOGY, OR THE SECRETARY'S DESIGNEE.

(II) THE SECRETARY OF INFORMATION TECHNOLOGY MAY GRANT APPROVAL FOR A COMPETITIVE PROOF OF CONCEPT PROCUREMENT IF THE UNIT:

1. HAS SUFFICIENT INTERNAL RESOURCES TO MANAGE THE PROOF OF CONCEPT, INCLUDING HUMAN CAPITAL, SUBJECT MATTER EXPERTISE, AND TECHNOLOGICAL INFRASTRUCTURE, OR HAS THE MEANS TO OBTAIN THESE RESOURCES; AND

2. ENTERS INTO A MEMORANDUM OF UNDERSTANDING WITH THE DEPARTMENT OF INFORMATION TECHNOLOGY THAT REQUIRES REGULAR STATUS UPDATES, VENDOR CAPACITY, AND ANY OTHER INFORMATION NECESSARY FOR THE DEPARTMENT OF INFORMATION TECHNOLOGY TO EVALUATE WHETHER THE PROOF OF CONCEPT CAN BE SUCCESSFULLY DEPLOYED AND IS BENEFICIAL TO THE STATE.

(C) (1) A COMPETITIVE PROOF OF CONCEPT PROCUREMENT MAY BE CONDUCTED THROUGH THE ISSUANCE OF A SOLICITATION BY ANY METHOD OF PROCUREMENT AUTHORIZED UNDER THIS DIVISION II.

(2) A COMPETITIVE PROOF OF CONCEPT PROCUREMENT SOLICITATION SHALL INCLUDE A STATEMENT OF:

(I) THE SCOPE OF WORK OR PROJECT DESCRIPTION, INCLUDING THE INTENDED USE, QUANTITY, ESTIMATED TIME FRAME FOR THE PROOF OF CONCEPT, AND ANTICIPATED NUMBER OF PROOF OF CONCEPT AWARDS THAT WILL BE MADE; AND

(II) THE FACTORS, INCLUDING PRICE, THAT WILL BE USED IN EVALUATING PROPOSALS AND THE RELATIVE IMPORTANCE OF EACH.

(3) A SOLICITATION MAY BE DISTRIBUTED TO VENDORS KNOWN TO OFFER GOODS OR SERVICES WITHIN THE SCOPE OF THE PROOF OF CONCEPT AND SHALL, EXCEPT FOR PROCUREMENTS UNDER \$15,000 NOT OTHERWISE REQUIRED BY LAW TO BE POSTED, BE POSTED ON eMARYLAND MARKETPLACE ADVANTAGE, IN ACCORDANCE WITH THE POLICIES AND PROCEDURES UNDER SUBSECTION (G) OF THIS SECTION.

(D) AFTER RECEIPT OF PROPOSALS BUT BEFORE AWARD OF A PROCUREMENT CONTRACT, A UNIT MAY:

(1) CONDUCT DISCUSSIONS WITH AN OFFEROR TO ENSURE FULL UNDERSTANDING OF:

(I) THE REQUIREMENTS OF THE UNIT, AS SET FORTH IN THE REQUEST FOR PROPOSALS; AND

(II) THE PROPOSAL SUBMITTED BY THE OFFEROR; AND

(2) REQUEST PRODUCT SAMPLES FOR TESTING BY THE UNIT OR A DEMONSTRATION OF A PRODUCT OR SERVICE AND USE THESE SAMPLES OR DEMONSTRATIONS IN ITS EVALUATION PROCESS.

(E) A REQUEST FOR PRODUCT SAMPLES FOR TESTING OR DEMONSTRATION MADE UNDER SUBSECTION (D)(2) OF THIS SECTION SHALL BE ISSUED TO ALL OFFERORS DEEMED REASONABLE AT THE TIME OF THE REQUEST.

(F) A UNIT MAY:

~~(1) AWARD ONE OR MORE OF THE PROPOSALS A CONTRACT FOR THE PROOF OF CONCEPT; AND~~

~~(2) PROVIDE AN OPTION FOR THE STATE TO PROCEED WITH A FULL IMPLEMENTATION OF AN AWARDED PROPOSAL.~~

(G) A VENDOR AWARDED A PROOF OF CONCEPT PROCUREMENT SHALL BE ELIGIBLE TO BID ON A PROCUREMENT TO IMPLEMENT A PROPOSAL RELATED TO THE PROOF OF CONCEPT PROCUREMENT.

(H) THE DEPARTMENT OF GENERAL SERVICES, IN CONSULTATION WITH THE DEPARTMENT OF INFORMATION TECHNOLOGY, SHALL ADOPT POLICIES AND

PROCEDURES FOR THE DEVELOPMENT AND IMPLEMENTATION OF COMPETITIVE PROOF OF CONCEPT PROCUREMENTS.

~~SECTION 2. AND BE IT FURTHER ENACTED, That, on or before December 1, 2024, the Governor's Artificial Intelligence Subcabinet of the Governor's Executive Council, in consultation with the appropriate stakeholders, shall submit an interim report and recommendations to the Governor and, in accordance with § 2-1257 of the State Government Article, the General Assembly on the risks and opportunities and associated recommendations related to:~~

~~(1) use of artificial intelligence to support job and business creation and growth in the State;~~

~~(2) in collaboration with the Maryland Department of Labor and, as appropriate, external experts, workers, labor unions, businesses, and civil society, use of artificial intelligence by the State workforce, including opportunities to upskill the workforce;~~

~~(3) in consultation with the Maryland Department of Emergency Management, the Public Service Commission, the Department of the Environment, and the Department of Transportation, use of artificial intelligence in critical infrastructure and guidelines for owners and operators to incorporate risk management into critical infrastructure, including mapping emergent cyber and physical security and resiliency risks to the State infrastructure and residents stemming from artificial intelligence;~~

~~(4) in consultation with the Maryland Department of Health, the U.S. Department of Veterans Affairs, and the U.S. Department of Homeland Security, use of systems that employ artificial intelligence in health care delivery and human services;~~

~~(5) in consultation with the Department of Information Technology Office of Security Management and the Chief Privacy Officer, use of artificial intelligence in the discovery and remediation of vulnerabilities in cybersecurity and data management across State and local government, including school systems;~~

~~(6) in consultation with the State Chief Privacy Officer and an independent contractor identified by the Subcabinet, data privacy, specifically regarding the potential to train systems that employ artificial intelligence;~~

~~(7) in consultation with the Maryland Department of Labor, the Department of Commerce, and the Governor's Office of Small, Minority, and Women Business Affairs, use of artificial intelligence in workforce training and hiring of talent with expertise in artificial intelligence, employment practices, and workforce development implications;~~

~~(8) in consultation with the Office of the Attorney General and the Judicial Branch, use of artificial intelligence in the criminal justice system, including whether and how such technology should be used, in what contexts, and with what safeguards;~~

~~(9) the procurement of systems that employ artificial intelligence, including efforts to increase competition and assurance that contracts retain sufficient data privacy protection against vendor lock-in;~~

~~(10) use of artificial intelligence by occupations licensed and certified by the State, in consultation with the boards, identifying ways for the regulatory board to identify and manage the risks of opportunities of artificial intelligence and determine appropriate permitted use and supervision by licensees; and~~

~~(11) use of artificial intelligence in local school systems, including recommendations to the State on the responsible and productive use of artificial intelligence based on a review of the federal Department of Education Office of Educational Technology's report entitled "Artificial Intelligence and the Future of Teaching and Learning: Insights and Recommendations", in collaboration with the State Department of Education.~~

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) The Governor's Artificial Intelligence Subcabinet of the Governor's Executive Council, in consultation with the appropriate units of State government, shall:

(1) develop a roadmap to review the risks and opportunities associated with the use of artificial intelligence in State services; and

(2) on or before December 1, 2024, submit the roadmap to the Governor and, in accordance with § 2-1257 of the State Government Article, the General Assembly.

(b) The roadmap developed under subsection (a) of this section shall include:

(1) a plan to study the use of artificial intelligence:

(i) to support job and business creation and growth in the State;

(ii) by the State workforce, including opportunities to upskill the workforce;

(iii) in critical infrastructure, including guidelines for owners and operators to incorporate risk management into critical infrastructure;

(iv) in health care delivery and human services;

(v) in the discovery and remediation of vulnerabilities in cybersecurity and data management across State and local government, including school systems;

(vi) in data privacy, specifically regarding the ability to train systems that employ artificial intelligence;

(vii) in workforce training;

(viii) in the criminal justice system and for public safety purposes, including whether and how such technology should be used, in what contexts, and with what safeguards;

(ix) by occupations licensed and certified by the State, including identifying ways for State regulatory boards to identify and manage the risks and opportunities of artificial intelligence and determine appropriate permitted use and supervision of licensees;

(x) in local school systems, including recommendations to the State on the responsible and productive use of artificial intelligence;

(xi) in the conduct of elections, including reducing or eliminating the spread of misinformation; and

(xii) any other State service identified by the Subcabinet;

(2) a plan to study:

(i) the hiring of talent with expertise in artificial intelligence, employment practices, and workforce development implications;

(ii) methods to ensure that there is diversity in contract awards and training programs related to artificial intelligence in the State, including racial diversity; and

(iii) the procurement of systems that employ artificial intelligence, including efforts to increase competition and assurance that contracts retain sufficient data privacy protection against vendor lock-in;

(3) a prioritization of the study topics listed under this subsection, including the methodology for the prioritization;

(4) a list of appropriate stakeholders identified to participate in each study topic; and

(5) the projected timeline to complete each study topic.

SECTION 3. AND BE IT FURTHER ENACTED, That, on or before December 1, 2025, the Governor's Artificial Intelligence Subcabinet of the Governor's Executive Council shall submit a report and recommendations to the Governor and, in accordance with § 2-1257 of the State Government Article, the General Assembly on the sufficiency of the Subcabinet to accomplish the artificial intelligence goals of the State and the efficacy of the potential transition of the Subcabinet to a department or independent unit of State government.

~~SECTION 4. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that the Department of Information Technology:~~

~~(1) evaluate the potential of artificial intelligence in creating a statewide virtual 3-1-1 portal as a source for Maryland residents to obtain nonemergency government information and services; and~~

~~(2) if the Department determines that the use of artificial intelligence in creating a virtual 3-1-1 portal is feasible, to prioritize the creation of a virtual 3-1-1 portal through a competitive proof of concept procurement in accordance with § 13-116 of the State Finance and Procurement Article, as enacted by Section 1 of this Act.~~

SECTION 4. AND BE IT FURTHER ENACTED, That it is the intent of the Maryland General Assembly, contingent on the passage of S.B. 955 or H.B. 1174 of the Acts of the General Assembly of 2024 by both Houses of the General Assembly, that the Governor's Artificial Intelligence Subcabinet consult with the Technology Advisory Commission established under S.B. 955 or H.B. 1174 of the Acts of the General Assembly of 2024 in the performance of its duties under Sections 1 and 2 of this Act.

SECTION ~~4~~ 5. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2024.

Approved by the Governor, May 9, 2024.