

# STATE OF NEW YORK

5309

2023-2024 Regular Sessions

## IN ASSEMBLY

March 7, 2023

Introduced by M. of A. SOLAGES -- read once and referred to the Committee on Governmental Operations

AN ACT to amend the state finance law, in relation to the purchase of products that are or contain an algorithmic decision system that adheres to responsible artificial intelligence standards; and to amend the executive law, in relation to the definition of "unlawful discriminatory practice"

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Section 165 of the state finance law is amended by adding a  
2 new subdivision 9 to read as follows:

3 9. Algorithmic decision system purchase. a. As used in this subdivi-  
4 sion:

5 (i) "algorithmic decision system" means a computational process,  
6 including one derived from machine learning, statistics, or other data  
7 processing or artificial intelligence techniques, that makes a decision,  
8 or facilitates human decision making, in a manner that impacts individ-  
9 uals; and

10 (ii) "state unit" means the state and any governmental agency or poli-  
11 tical subdivision or public benefit corporation of the state.

12 b. When purchasing a product or service that is or contains an algo-  
13 rithmic decision system to be used by the state, a state unit shall  
14 purchase a product or service that adheres to responsible artificial  
15 intelligence standards, including:

16 (i) the avoidance of harm, including the minimization of:

17 (A) risks of physical or mental injury;

18 (B) the unjustified deletion or disclosure of information; and

19 (C) the unwarranted damage to property, reputation, or environment;

20 (ii) a commitment to transparency, including the full disclosure to  
21 the state unit any algorithmic decision system:

22 (A) capabilities;

EXPLANATION--Matter in italics (underscored) is new; matter in brackets  
[-] is old law to be omitted.

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- 1 (B) limitations; and
- 2 (C) potential problems;
- 3 (iii) giving primacy to fairness, including by taking actions to:
- 4 (A) eliminate discrimination;
- 5 (B) include equality, tolerance, respect for others, and justice as
- 6 algorithmic decision system goals; and
- 7 (C) provide an avenue for feedback to redress harms; and
- 8 (iv) a comprehensive and thorough evaluation and analysis of the algo-
- 9 rithmic decision system's impact and potential risks.

10 c. The commissioner of taxation and finance shall adopt regulations to  
 11 carry out this subdivision.

12 § 2. Subdivision 4 of section 292 of the executive law, as amended by  
 13 section 2 of subpart F of part KK of chapter 57 of the laws of 2018, is  
 14 amended to read as follows:

- 15 4. The term "unlawful discriminatory practice":
- 16 (a) includes only those practices specified in sections two hundred
  - 17 ninety-six, two hundred ninety-six-a, two hundred ninety-six-c and two
  - 18 hundred ninety-six-d of this article; and
  - 19 (b) includes an act prohibited under paragraph (a) of this subdivision
  - 20 that is performed through an algorithmic decision system, as defined
  - 21 under subdivision nine of section one hundred sixty-five of the state
  - 22 finance law.

23 § 3. This act shall take effect on the first of January next succeed-  
 24 ing the date upon which it shall have become a law.