STATE OF NEW YORK

8755

IN SENATE

March 7, 2024

Introduced by Sen. PARKER -- read twice and ordered printed, and when printed to be committed to the Committee on Internet and Technology

AN ACT to amend the state technology law, in relation to enacting the New York artificial intelligence ethics commission act

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

Section 1. Short title. This act shall be known and may be cited as the "New York artificial intelligence ethics commission act".

§ 2. The state technology law is amended by adding a new section 106-c to read as follows:

§ 106-c. 1. New York artificial intelligence ethics commission. The New York artificial intelligence ethics commission (the "commission") is hereby established. The commission shall serve as a regulatory body to ensure ethical use of artificial intelligence (AI) within New York state agencies and private entities operating within the state.

2. For the purposes of this section, the following terms shall have the following meanings:

(a) "Artificial intelligence" or "AI" shall mean a machine-based system that can, for a given set of human-defined objectives, make predictions, recommendations, or decisions influencing real or virtual environments.

(b) "Use" shall mean the development, deployment, and operation of an AI system.

(c) "Crime" shall mean any offense recognized by New York state law.

3. The commission shall consist of nine members: three appointed by the governor; two appointed by the temporary president of the senate; one appointed by the minority leader of the senate; two appointed by the speaker of the assembly; one appointed by the minority leader of the assembly, reflective of diverse expertise in AI technology, ethics, law, and public policy.

4. The commission shall:

(a) establish ethical guidelines and standards for the development and deployment of AI technologies;

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

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(b) conduct reviews of AI projects for compliance with ethical standards;
(c) provide educational resources for New York state agencies and the public on AI ethics;
(d) advise the legislature on AI policy considerations;
(e) receive and investigate complaints regarding unethical AI practices; and
(f) develop certification for ethical AI systems and conduct periodic audits.
5. The commission has the authority to oversee any AI system utilized by:
(a) state agencies, for internal operations or public services; and
(b) private companies operating in New York state, insofar as their AI usage impacts New York residents.
6. No entity doing business in this state shall:
(a) utilize AI systems that systematically and unfairly discriminate against individuals or groups based on race, gender, sexuality, disability, or any other protected characteristic;
(b) create or disseminate false or misleading information by an AI system to deceive users or the public;
(c) use an AI system to unlawfully surveil, record, or disseminate information about an individual without their consent;
(d) participate in the unauthorized collection, processing, or dissemination of personal information by an AI system without their consent shall be deemed an infringement of privacy;
(e) participate in unauthorized use or reproduction of intellectual property through AI algorithms;
(f) fail to implement reasonable safeguards, resulting in harm or material loss through the use of an AI system;
(g) conduct AI research that is harmful or without the informed consent of the subjects;
(h) intentionally disrupt, damage, or subversion of an AI system to undermine its integrity or performance; or
(i) participate in the unauthorized use of someone's personal identity or data by artificial intelligence systems to commit fraud or theft.
7. The commission shall have the power to impose penalties, including fines and injunctions for violations of ethical guidelines established by the commission. Penalties for violations under subdivision six of this section shall be as follows:
(a) Where harm is non-economic, a civil penalty, including injunctions and other damages.
(b) Where economic harm is established or there is a systematic breach of privacy, criminal offenses shall be prosecuted by the attorney general.
8. The commission shall submit annual reports to the governor, the temporary president of the senate, and the speaker of the assembly detailing its activities, audit results, and policy recommendations.
§ 3. This act shall take effect immediately.