

1 H.752

2 Introduced by Representatives Priestley of Bradford and Sibilia of Dover

3 Referred to Committee on

4 Date:

5 Subject: Executive; Agency of Digital Services; inventory and review of

6 automated decision systems

7 Statement of purpose of bill as introduced: This bill proposes to require the

8 Agency of Digital Services, in its annual inventory of automated decision

9 systems, to review whether a system is vulnerable to a cybersecurity attack or

10 puts the personal data of Vermonters at risk. It would also give the Agency the

11 authority to request that the use of a hazardous automated decision system used

12 in government be terminated.

13 An act relating to the Agency of Digital Services

14 It is hereby enacted by the General Assembly of the State of Vermont:

15 Sec. 1. 3 V.S.A. § 3303 is amended to read:

16 § 3303. REPORTING, RECORDS, AND REVIEW REQUIREMENTS

17 (a) Annual report and budget. The Secretary shall submit to the House

18 Committee on Energy and Digital Infrastructure and the Senate Committee on

19 Institutions, concurrent with the Governor's annual budget request required

20 under 32 V.S.A. § 306, an annual report for information technology and

1 cybersecurity. The report shall reflect the priorities of the Agency and shall
2 include:

3 * * *

4 (8) an annual update to the inventory required by section 3305 of this
5 title, including detail on any occasions where the Agency requested that the use
6 of an automated decision system be terminated; and

7 * * *

8 Sec. 2. 3 V.S.A. § 3305 is amended to read:

9 § 3305. AUTOMATED DECISION SYSTEM; STATE PROCUREMENT;

10 INVENTORY; TERMINATION

11 (a) Definitions. As used in this section:

12 (1) “Algorithm” means a computerized procedure consisting of a set of
13 steps used to accomplish a determined task.

14 (2) “Automated decision system” means any algorithm, including one
15 incorporating machine learning or other artificial intelligence techniques, that
16 uses data-based analytics to make or support government decisions, judgments,
17 or conclusions.

18 (3) “Automated final decision system” means an automated decision
19 system that makes final decisions, judgments, or conclusions without human
20 intervention.

(4) “Automated support decision system” means an automated decision system that provides information to inform the final decision, judgment, or conclusion of a human decision maker.

4 (5) "State government" has the same meaning as in section 3301 of this
5 chapter.

6 (b) Inventory. The Agency of Digital Services shall conduct a review and
7 make an inventory of all automated decision systems that are being developed,
8 employed, or procured by State government. The inventory shall include the
9 following for each automated decision system:

10 (1) the automated decision system's name and vendor;

13 (A) reasonably foreseeable capabilities outside the scope of the
14 agency's proposed use; and

15 (B) whether the automated decision system is used or may be used
16 for independent decision-making powers and the impact of those decisions on
17 Vermont residents;

18 (3) the type or types of data inputs that the technology uses; how that
19 data is generated, collected, and processed; and the type or types of data the
20 automated decision system is reasonably likely to generate;

1 (4) whether the automated decision system has been tested for bias by
2 an independent third party, has a known bias, or is untested for bias;

3 (5) a description of the purpose and proposed use of the automated
4 decision system, including:

5 (A) what decision or decisions it will be used to make or support;

6 (B) whether it is an automated final decision system or automated
7 support decision system; and

8 (C) its intended benefits, including any data or research relevant to
9 the outcome of those results;

10 (6) how automated decision system data is securely stored and

11 processed and whether an agency intends to share access to the automated
12 decision system or the data from that automated decision system with any
13 other entity, which entity, and why; and

14 (7) a description of the IT fiscal impacts of the automated decision
15 system, including:

16 (A) initial acquisition costs and ongoing operating costs, such as
17 maintenance, licensing, personnel, legal compliance, use auditing, data
18 retention, and security costs;

19 (B) any cost savings that would be achieved through the use of the
20 technology; and

(C) any current or potential sources of funding, including any subsidies or free products being offered by vendors or governmental entities;

(8) whether there is any reasonably foreseeable misuse of the automated decision system and the development or existence of safeguards against such misuse;

(9) whether there are any public health or safety risks resulting from the deployment and use of the automated decision system;

(10) the existence of any cybersecurity vulnerabilities and privacy risks resulting from the deployment and use of the automated decision system, and the development or existence of safeguards to mitigate those risks;

(11) the extent to which the deployment and use of the automated decision system requires input of sensitive and personal data, how that data is used and stored, and any control users may have over their data; and

(12) the notification mechanism or procedure, if any, by which individuals impacted by the utilization of the automated decision system may be notified of the use of such system and the use of the individual's personal data.

(c) Termination of use. The Agency shall, in writing, request that a State government entity terminate its use of an automated decision system if, through the inventory process pursuant to subsection (b) of this section, the Agency finds that the system:

- 1 (1) produces biased results;
- 2 (2) contains unreasonable safety risks, including risks to public health or
- 3 to the State's cybersecurity;
- 4 (3) is likely to be misused and does not have proper safeguards against
- 5 preventing misuse; or
- 6 (4) does not properly safeguard the personal data of Vermonters.

7 Sec. 2. EFFECTIVE DATE

8 This act shall take effect on July 1, 2026.