1   H.821

2   Introduced by Representatives Cina of Burlington, Arsenault of Williston,

3   Burrows of West Windsor, Critchlow of Colchester, Galfetti of

4   Barre Town, Logan of Burlington, McGill of Bridport, Page of

5   Newport City, Pouech of Hinesburg, Priestley of Bradford,

6   Rachelson of Burlington, Sibilia of Dover, and Tomlinson of

7   Winooski

8   Referred to Committee on

9   Date:

10   Subject: Executive

11   Statement of purpose of bill as introduced: This bill proposes to change and

12   add new members to the Artificial Intelligence Advisory Council and require

13   that the Council study and report back to the General Assembly regarding the

14   effect of artificial intelligence on education, finance, and public health. This

15   bill would also require persons that use generative artificial intelligence in their

16   services to consumers disclose to consumers that such technology is being

17   used.

18   An act relating to artificial intelligence

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

2   Sec. 1. 3 V.S.A. § 5023 is amended to read:

3   § 5023. ARTIFICIAL INTELLIGENCE ADVISORY COUNCIL

4   (a) Advisory Council. There is established the Artificial Intelligence

5   Advisory Council to provide advice and counsel to the Director of the Division

6   of Artificial Intelligence with regard to the Division's responsibilities to review

7   all aspects of artificial intelligence systems developed, employed, or procured

8   in State government. The Council, in consultation with the Director of the

9   Division, shall also engage in public outreach and education on artificial

10   intelligence.

11   (b) Members.

12   (1) Members. The Advisory Council shall be composed of the

13   following members:

14   (A) the Secretary of Digital Services or designee;

15   (B) the Secretary of Commerce and Community Development or

16   designee;

17   (C) the Commissioner of Public Safety or designee;

18   (D) the Executive Director of the American Civil Liberties Union of

19   Vermont or designee;

20   (E) one member who is an expert in constitutional and legal rights,

21   appointed by the Chief Justice of the Supreme Court;

1	(F) one member with experience in the field of ethics and human

2	rights, appointed by the ~~Governor~~ Board of Trustees of the Vermont chapter of

3	the National Association of Social Workers;

4	(G) one member who is an academic at a postsecondary institute,

5	appointed by the Vermont Academy of Science and Engineering;

6	(H) ~~the Commissioner of Health or designee~~ one member with

7	experience in public education, appointed by the Board of Directors of the

8	Vermont-National Education Association;

9	(I) the Executive Director of Racial Equity or designee; ~~and~~

10	(J) the Attorney General or designee;

11	(K) the State Treasurer or designee;

12	(L) one member with experience in health care, appointed by the

13	Board of the Vermont Medical Society; and

14	(M) the Secretary of Human Services or designee.

15	* * *

16	(h) Repeal. This section shall be repealed on June 30, ~~2027~~ 2030.

17	Sec. 2. RESPONSIBLE AND ETHICAL USE OF ARTIFICIAL

18	INTELLIGENCE IN HEALTH CARE, HUMAN SERVICES,

19	EDUCATION, PUBLIC PARTICIPATION, AND PUBLIC

20	FINANCE; REPORT

1   (a) Task. The Artificial Intelligence Advisory Council, in coordination

2   with the Director of the Division of Artificial Intelligence, shall:

3   (1) review the guidelines and recommendations from the American

4   Medical Association, National Association of Social Workers, National

5   Education Association, and other relevant professional organizations regarding

6   the use of artificial intelligence in the fields of health care, human services,

7   education, public participation, and public finance;

8   (2) research existing and potential uses of artificial intelligence in public

9   participation processes and in public finance; and

10   (3) create opportunities for public education and engagement in the

11   development of artificial intelligence policy.

12   (b) Report. On or before January 15, 2027, pursuant to the task set forth in

13   subsection (a) of this section, the Artificial Intelligence Advisory Council, in

14   coordination with the Director of the Division of Artificial Intelligence, shall

15   submit a written report to the General Assembly that:

16   (1) summarizes ways that government can promote the ethical and

17   responsible use of artificial intelligence technology in health and human

18   services and in education;

19   (2) proposes pilot projects that improves public engagement in public

20   finance using ethical and responsible artificial intelligence technology; and

1   (3) identifies any reasons for further delaying or removing the

2   prospective repeal of the Artificial Intelligence Advisory Council set forth in 3

3   V.S.A. § 5023(h).

4   Sec. 3. 9 V.S.A. chapter 118 is added to read:

5   CHAPTER 118. ARTIFICIAL INTELLIGENCE

6   Subchapter 1. Disclosure Requirements

7   § 4193a. DEFINITIONS

8   As used in this subchapter:

9   (1)(A) "Biometric data" means data generated from the technological

10 processing of a consumer's unique biological, physical, or physiological

11 characteristics that allow or confirm the unique identification of the consumer,

12 including:

13   (i) iris or retina scans;

14   (ii) fingerprints;

15   (iii) facial or hand mapping, geometry, or templates;

16   (iv) vein patterns;

17   (v) voice prints or vocal biomarkers; and

18   (vi) gait or personally identifying physical movement or patterns.

19   (B) "Biometric data" does not include:

20   (i) a digital or physical photograph;

21   (ii) an audio or video recording; or

1   (iii) any data generated from a digital or physical photograph, or

2   an audio or video recording, unless such data is generated to identify a specific

3   consumer.

4   (2) "Consumer" has the same meaning as in section 2451a of this title.

5   (3) "Generative artificial intelligence" means an artificial intelligence

6   technology system that:

7   (A) is trained on data;

8   (B) is designed to simulate human conversation with a consumer

9   through one or more of the following:

10   (i) text;

11   (ii) audio; or

12   (iii) visual communication; and

13   (C) generates nonscripted outputs similar to outputs created by a

14   human, with limited or no human oversight.

15   (4) "High-risk artificial intelligence interaction" means an interaction

16   with generative artificial intelligence that involves:

17   (A) the collection of sensitive personal information, including:

18   (i) health data;

19   (ii) financial data; or

20   (iii) biometric data;

1   (B) the provision of personalized recommendations, advice, or

2   information that could reasonably be relied upon to make significant personal

3   decisions, including the provision of:

4   (i) financial advice or services;

5   (ii) legal advice or services;

6   (iii) medical advice or services; or

7   (iv) mental health advice or services; or

8   (C) any other applications as set forth in rules adopted by the Office

9   of the Attorney General.

10   (5) "Regulated occupation" means an occupation that, in order to

11   practice the occupation in the State, requires an individual to obtain a

12   professional license or certification enumerated in Titles 3, 16, 20, or 26 of the

13   Vermont Statutes Annotated.

14   § 4193b. REQUIREMENTS

15   (a) Disclosure. A person that uses generative artificial intelligence to

16   interact with a consumer shall clearly and conspicuously disclose to the

17   consumer, if asked or prompted by the consumer, that the consumer is

18   interacting with generative artificial intelligence and not a human.

19   (b) Regulated occupations.

20   (1) A person providing the services of a regulated occupation to a

21   consumer shall:

1   (A) prominently disclose when the consumer receiving services is

2   interacting with generative artificial intelligence if the use of generative

3   artificial intelligence constitutes a high-risk artificial intelligence interaction;

4   and

5   (B) comply with all other requirements of the regulated occupation

6   when providing services through generative artificial intelligence.

7   (2) A disclosure described in subdivision (1)(A) of this subsection shall

8   be provided to the consumer:

9   (A) verbally at the start of a verbal interaction; or

10   (B) in writing before the start of a written interaction.

11   (c) Safe harbor. A person is not subject to an enforcement action pursuant

12   to section 4193b of this subchapter if the person's generative artificial

13   intelligence clearly and conspicuously discloses to a consumer at the beginning

14   of and throughout the entire interaction of an interaction pursuant to subsection

15   (a) or (b) of this section that it is:

16   (1) generative artificial intelligence;

17   (2) not human; or

18   (3) an artificial intelligence assistant.

1   § 4193b. ENFORCEMENT

2   (a) A person that violates this subchapter or rules adopted pursuant to this

3   subchapter commits an unfair and deceptive act in commerce in violation of

4   section 2453 of this title.

5   (b) The Attorney General shall have the same authority under this

6   subchapter to make rules, conduct civil investigations, bring civil actions, and

7   enter into assurances of discontinuance as provided under chapter 63 of this

8   title.

9   Sec. 4. 9 V.S.A. § 2466e is added to read:

10   § 2466e. ARTIFICIAL INTELLIGENCE AS DEFENSE

11   (a) "General artificial intelligence" has the same meaning as in section

12   4193a of this title.

13   (b) Upon a claim that a person has violated section 2453 of this chapter, the

14   person shall not be able to use as an affirmative defense that generative

15   artificial intelligence:

16   (1) made the violative statement;

17   (2) undertook the violative act; or

18   (3) was used in furtherance of the violation.

1   Sec. 5. TRANSITION FOR ARTIFICIAL INTELLIGENCE COUNCIL

2   All newly added members to the Artificial Intelligence Advisory Council

3   pursuant to Sec. 1 of this act (amending 3 V.S.A. § 5023) shall be appointed by

4   their appointing authority on or before September 1, 2026.

5   Sec. 6. EFFECTIVE DATE

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