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LC005022

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2024

A N A C T

RELATING TO COMMERCIAL LAW -- GENERAL REGULATORY PROVISIONS --  
AUTOMATED DECISION TOOLS

Introduced By: Representatives Baginski, Finkelman, and Boylan

Date Introduced: February 29, 2024

Referred To: House Innovation, Internet, & Technology

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 6 of the General Laws entitled "COMMERCIAL LAW — GENERAL  
2 REGULATORY PROVISIONS" is hereby amended by adding thereto the following chapter:

3 CHAPTER 60

4 AUTOMATED DECISION TOOLS.

5 **6-60-1. Short title.**

6 This chapter shall be known and may be cited as "Automated Decision Tools".

7 **6-60-2. Legislative purpose.**

8 It is the purpose of this chapter to require companies that develop or deploy high-risk  
9 artificial intelligence (AI) systems to conduct impact assessments and adopt risk management  
10 programs.

11 **6-60-3. Definitions.**

12 As used in this chapter, the following words and terms shall have the following meanings:

13 (1) "Consequential decision" means a determination made by a deployer that has a legal or  
14 similarly significant effect on an individual.

15 (2) "Legal or similarly significant effect" means a decision that determines an individual's  
16 eligibility for and results in the provision or denial of housing, employment, credit, education,  
17 access to physical places of public accommodation, healthcare, or insurance.

18 (3) "Consequential artificial intelligence decision system (CAIDS)" means machine-based

1 systems or services that utilize machine learning, artificial intelligence, or similar techniques that  
2 provide outputs that are not predetermined, and have been specifically developed, or an AI system  
3 specifically modified, with the intended purpose of making or determining consequential decisions.

4 (4) "Developers" means any entity that designs, codes, or produces a CAIDS, or modifies  
5 an AI system with the intended purpose of making a consequential decision, whether for internal  
6 use or for use by third parties.

7 (5) "Deployers" means any entity that uses a CAIDS to make consequential decisions.

8 **6-60-4. Deployer impact assessment requirement.**

9 (a) A deployer shall:

10 (1) Implement and maintain a risk management program that establishes the policies,  
11 processes, and personnel that will be used to identify, mitigate, and document risks arising from  
12 the deployment of a CAIDS; and

13 (2) Take into consideration, in implementing the risk management program:

14 (i) The deployer's size and complexity;

15 (ii) The nature and scope of the CAIDS, including its intended use;

16 (iii) The sensitivity and volume of data processed in connection with the CAIDS; and

17 (iv) Cost of implementation and maintenance of the risk management system.

18 (b) A deployer shall perform an impact assessment prior to deploying a CAIDS and  
19 annually thereafter. If the deployer makes material changes to the purpose for which a CAIDS is  
20 used or the type of data it receives, a new impact assessment shall be conducted.

21 (c) In performing an impact assessment, deployers shall maintain documentation for a  
22 reasonable time period in light of the intended use regarding:

23 (1) The purpose of the CAIDS and its intended use cases, deployment context, and benefits;

24 (2) The extent to which the use of the CAIDS once it is deployed is consistent with or  
25 varies from the developer's description of intended uses;

26 (3) The potential for denials of housing, employment, credit, education, access to physical  
27 places of public accommodation, healthcare, or insurance resulting from use of the CAIDS to  
28 disproportionately impact people on the basis of protected characteristics, to the extent feasible,  
29 and the steps taken to mitigate the risk of such harm occurring;

30 (4) A description of data that will be processed as inputs by the CAIDS once deployed and  
31 a description of the outputs produced by the CAIDS;

32 (5) If applicable, an overview of the type of data the deployer used to retrain the CAIDS;

33 (6) If applicable, metrics for evaluating the CAIDS's performance and known limitations;

34 (7) If applicable, transparency measures, including information identifying to individuals

1 when a CAIDS is in use; and

2 (8) If applicable, post-deployment monitoring and user safeguards, including a description  
3 of the oversight process in place to address issues as they arise.

4 **6-60-5. Developer obligations.**

5 (a) A developer shall provide the deployer with the technical capability to access or  
6 otherwise make available to a deployer the information reasonably necessary for the deployer to  
7 comply with its requirement to perform an impact assessment, including documentation regarding  
8 a CAIDS's capabilities, known limitations, and guidelines for intended use. Nothing in this chapter  
9 shall require the disclosure of trade secrets or other confidential information.

10 (b)(1) A developer shall implement and maintain a risk management program that  
11 establishes the policies, processes, training procedures, and personnel that will be used to identify,  
12 mitigate, and document risks arising from the development of a CAIDS, including conducting a  
13 design evaluation pursuant to subsection (c) of this section.

14 (2) In implementing the risk management program, a developer shall take the following  
15 into consideration:

16 (i) Its size and complexity;

17 (ii) The nature and scope of the CAIDS, including its intended end use;

18 (iii) The sensitivity and volume of data used to train the CAIDS; and

19 (iv) Cost of implementation and maintenance of the risk management system.

20 (c)(1) A developer shall conduct a design evaluation for a CAIDS. The design evaluation  
21 shall consider information relevant to the potential for unlawful bias in connection with the  
22 intended end use of the CAIDS.

23 (2) Developers shall, as appropriate given their role in the development of the CAIDS,  
24 maintain documentation for a reasonable time period in light of the intended use regarding:

25 (i) The purpose of the CAIDS and its intended end use cases, features, and benefits;

26 (ii) The potential for denials of housing, employment, credit, education, access to physical  
27 places of public accommodation, healthcare, or insurance resulting from use of the CAIDS to  
28 disproportionately impact people on the basis of protected characteristics, to the extent feasible,  
29 and the steps taken to mitigate the risk of such harm occurring;

30 (iii) Known limitations of the CAIDS, including factors affecting performance;

31 (iv) An overview of the type of data used to train the CAIDS and how the data was collected  
32 and processed; and

33 (v) Metrics for how the CAIDS's performance was evaluated prior to sale.

34 **6-60-6. Enforcement.**

1           (a) Developers and deployers shall publicly self-certify that they are in compliance with  
2 their obligations under this chapter. Developers and deployers may use an impact assessment or  
3 design evaluation conducted in accordance with other laws or regulations if such assessment or  
4 evaluation is reasonably similar in scope.

5           (b) The attorney general may issue a subpoena in the course of an investigation that requires  
6 the deployer or developer to disclose to the attorney general the contents of a relevant impact  
7 assessment or design evaluation, subject to § 6-60-4(a).

8           (c) Impact assessments and design evaluations shall be confidential and exempt from  
9 public inspection and copying under chapter 2 of title 38 ("public records"). The disclosure of an  
10 impact assessment or design evaluation pursuant to a request from the attorney general shall not  
11 constitute a waiver of attorney-client privilege or work product protection with respect to the  
12 assessment or evaluation and any information contained therein.

13           SECTION 2. This act shall take effect on January 1, 2026.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO COMMERCIAL LAW -- GENERAL REGULATORY PROVISIONS --  
AUTOMATED DECISION TOOLS

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1           This act would require companies that develop or deploy high-risk AI systems to conduct  
2 impact assessments and adopt risk management programs, would apply to both developers and  
3 deployers of AI systems and would require obligations of these different types of companies based  
4 on their role in the AI ecosystem.

5           This act would also require deployers of high-risk AI systems to perform an impact  
6 assessment prior to deploying an AI system and annually thereafter. If the deployer makes material  
7 changes to the purpose for which an AI system is used or the type of data it receives, a new impact  
8 assessment will be conducted. In performing an impact assessment, deployers of high-risk AI  
9 systems shall maintain documentation for a reasonable time period in light of the intended use.

10           This act would further require developers of high-risk AI systems to make available to a  
11 deployer the information reasonably necessary for the deployer to comply with its requirement to  
12 perform an impact assessment, including documentation regarding an AI system's capabilities,  
13 known limitations, and guidelines for intended use.

14           This act would also require developers and deployers to implement a risk management  
15 program that establishes the policies, processes, and personnel that will be used to identify,  
16 mitigate, and document risks arising from the AI system.

17           Lastly, this act would require companies to self-certify that they have satisfied the impact  
18 assessment obligations and implemented risk management programs. The attorney general could  
19 subpoena the impact assessments in the course of an investigation.

20           This act would take effect on January 1, 2026.

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