ARTIFICIAL INTELLIGENCE TASK FORCE 2025

Minutes of the 1st Meeting of the 2025 Interim

June 26, 2025

Call to Order and Roll Call

The first meeting of the Artificial Intelligence Task Force 2025 was held on June 26, 2025, at 10:00 AM in Room 171 of the Capitol Annex. Senator Amanda Mays Bledsoe, Chair, called the meeting to order, and the secretary called the roll.

Present were:

<u>Members:</u> Representative Josh Bray, Co-Chair; Senator Amanda Mays Bledsoe, Co-Chair; Senators Michael J. Nemes, Steve Rawlings, Reginald L. Thomas, and Gex Williams; Representatives Derek Lewis, Suzanne Miles, and J.T. Payne.

<u>Guests:</u> Kate Shanks, Senior Vice President of Public Affairs, Kentucky Chamber of Commerce; Jim Barnhart, CIO, Commonwealth Office of Technology (COT), Finance and Administration Cabinet; and David Carter, CISO, COT, Finance and Administration Cabinet.

LRC Staff: Janine Coy, Christian Deeter, Christina Gordley, and Nathan Carter.

Kentucky Business Perspectives on Artificial Intelligence

Kate Shanks, Senior Vice President of Public Affairs, Kentucky Chamber of Commerce (Chamber), spoke on the importance of artificial intelligence (AI) to Kentucky employers, and changes in AI policies in other states and at the federal level. President Trump rescinded President Biden's 2023 AI executive order and issued an executive order for an AI action plan. The US AI Safety Institute has been renamed the Center for AI Standards and Innovation (CAISI).

In the Big Beautiful Bill, H.R. 1, 119th Cong. (2025), the United States Senate added \$500 million in funding related to Al. The bill does not limit states from removing legal impediments. Congress also passed the Take it Down Act, S. 146, 119th Cong. (2025), which prohibits the publication of private images, including deep fakes. Kentucky passed a data privacy bill, 2023 Regular Session HB 15, based on the Virginia model. Various data privacy bills are being passed in other states as opposed to a national data privacy plan.

The Chamber has a technology work group that advocates at the state and federal level on various technology issues. Most states have passed some form of AI legislation, but most legislation provides for an AI task force. The Chamber's concern is that AI legislation will be a patchwork of AI laws that could result in a higher cost of doing business for Kentucky employers.

In response to Senator Thomas, Ms. Shanks stated there is currently no proposed uniform AI law for states. Several data privacy laws passed based on the Virginia model but no uniform data privacy law at the federal level. Senator Thomas spoke of the importance of AI in the education system.

Representative Miles commented on how important the Take it Down Act will be to address data privacy issues for Kentucky families.

In response to Senator Williams, Mrs. Shanks stated there is language in the Big Beautiful Bill pertaining to a private right of action, and the Chamber is concerned about the cost of litigation to businesses and consumer protection.

Commonwealth Office of Technology Update on 2025 SB4

Jim Barnhart, CIO, Commonwealth Office of Technology (COT), discussed how COT has worked closely with industry experts to ensure the protection of state agencies in the implementation of 2025 Regular Session SB 4. COT has established an AI governance committee, and the first meeting is scheduled for July. COT anticipates their AI policies being finalized soon.

In response to Senator Mays Bledsoe's comment that COT's AI policies were promised to the AI Task Force before the end of 2024, Mr. Barnhart stated COT is working on the policies and will soon provide the completed AI polices to the AI Task Force.

In response to Representative Bray, Mr. Barnhart stated COT's AI policies are a top priority that should be completed in less than a month or two. He will send a copy to the AI Task Force members.

In response to Representative Lewis, Mr. Barnhart indicated COT was participating in national conferences. COT is gathering Al information and polices, including how to formulate a uniform Al policy.

In response to Senator Thomas, David Carter, CISO, COT, discussed how AI is an advancing technology and the physical security benefits of AI.

In response to Representative Miles' question about the security of internet access for remote state employees, Mr. Carter noted COT is focused on security and operates on a zero-trust model policy. Internal security is designed to protect government data regardless of how it is accessed, both from internal and external sources.

In response to Senator Williams, Mr. Carter stated COT's security focuses on a more informed work force, including performing monthly phishing simulations.

Representative Bray spoke on the importance of the 2025 AI Task Force and the accomplishments of the 2024 AI Task Force. He asked members to forward any task force topics to the co-chairs for discussion. He noted that education is still a top priority for the task force, but also mentioned energy policy in connection with data centers.

Adjournment

There being no further business before the committee, the meeting adjourned at 10:51 AM.