ARTIFICIAL INTELLIGENCE TASK FORCE

Minutes of the Sixth Meeting of the 2024 Interim

November 13, 2024

Call to Order and Roll Call
The sixth meeting of the Artificial Intelligence Task Force was held on November 13, 2024, at 3:00 PM in Room 171 of the Capitol Annex. Representative Josh Bray, Chair, called the meeting to order, and the secretary called the roll.

Present were:
Members: Senator Amanda Mays Bledsoe, Co-Chair; Representative Josh Bray, Co-Chair; Senators Stephen Meredith and Gex Williams; Representatives John Blanton, Derek Lewis, and Pamela Stevenson.

Guests: Paul Baltzell, Vice President of Strategy and Business Development, Salesforce; and Ed Wallace, Public Sector Executive, Salesforce.

LRC Staff: Daniel Carter, Christina Gordley, Alaina Spence, and Angela Rhodes.

Approval of Minutes
Senator Mays Bledsoe moved that the minutes of the October 29, 2024, meeting be approved. Senator Meredith seconded, and the minutes were approved without objection.

Artificial Intelligence in the Public Sector
Paul Baltzell, Vice President of Strategy and Business Development, Salesforce, stated Salesforce is a global leader in cloud enterprise software for customer relationship management, providing software-as-a-service and platform-as-a-service offerings to businesses, governments, and other organizations around the world.

Salesforce has been building artificial intelligence (AI) natively within their platform since 2016 with the launch of Einstein, which automatically discovers relevant insights, proactively recommending next best actions, and automating repetitive tasks. Salesforce's newest AI innovation, Agentforce, uses AI to complete tasks such as analyzing data, making decisions, and acting to service constituents nonstop.

In response to Representative Blanton, Mr. Baltzell stated internal data sources are maintained within Salesforce. External data sources can be deleted. Mr. Baltzell said he is unaware of any particular Salesforce breach incidents.

In response to Senator Meredith, Mr. Baltzell stated Salesforce covers 48 states and spends between $3 to $4 billion a year on research and development for their products. Kentucky has a direct agreement with Salesforce through Carahsoft.

In response to Senator Williams, Mr. Baltzell stated Salesforce offers ChatGPT and large language models inside their platforms. Some of Salesforce's integrated partners have converted legacy COBOL code into the Salesforce platform, but the processes and paths that exist within the COBOL system will remain until changes are made.

In response to Senator Mays Bledsoe, Mr. Baltzell stated AI in call centers offers big savings to governments. Salesforce has GovCloud, meets all FedRAMP requirements, and has criminal justice information system (CJIS) certified work for data security measures.

Discussion and Approval of Task Force Findings and Recommendations

The task force submits the following findings and recommendations to LRC for consideration and referral to the appropriate committee or committees. These recommendations are based on testimony provided to the task force during the 2024 Interim. The findings do not include independent research by LRC staff.

Findings
1. AI is evolving and becoming more advanced.
2. AI systems are currently being used in the public and private sector.
3. Public agencies and private companies have developed, or are beginning to develop, guidelines for the use of AI.
4. Other states are making investments toward AI research and development.
5. AI systems are being used in healthcare and some systems have proven to be useful tools to patients and providers.
6. While there are apparent benefits to the use of AI in many different areas, there remain concerns about its use in both the public and private sector.
7. There are concerns about the rapid evolution of AI, specifically the lack of AI safety legislation in place.

Senator Meredith moved for the adoption of the findings. Representation Blanton seconded the motion, and the findings were adopted without objection.

Recommendations

1. Consider legislation that would provide policy standards for the utilization of AI by the state of Kentucky, which would include a framework for decision-making in ethical AI uses, the business cases for use, the approval process for use, disclosures in use, mitigating third-party risks in use, and ensuring the data privacy of Kentucky citizens.
2. Urge the federal government to take immediate action on the regulation of AI.
3. Direct LRC staff to provide a definition of artificial intelligence for legislative purposes in Kentucky.
4. Consider legislation that would promote and protect the integrity of Kentucky elections by encouraging the responsible use of AI as it relates to elections and the electoral process.
5. Encourage the Kentucky Community & Technical College System (KCTCS), in conjunction with the Council on Postsecondary Education (CPE), to conduct a study into how educational opportunities and efforts relating to AI offered by employers can translate into postsecondary educational achievements and college degrees.
6. Encourage the Office of the Attorney General to investigate current healthcare related regulations to determine whether sufficient guidelines are in place to protect patients from possible HIPAA violations.
7. Encourage the Office of the Attorney General to review laws related to individual likeness and continuously collaborate with the General Assembly on any issues resulting from AI advancements.
8. Consider allowing a one-time allocation of funds toward centers that could be used by Kentucky institutions to promote responsible research, developments, and advancements in AI.
9. Consider legislation that would promote the responsible use of AI by requiring certain disclosures when communicating with AI chatbots.
10. Encourage all infrastructure providers to develop a long-term AI governance model that ensures the integrity of its data, safeguards proprietary and confidential information, ensures accountability for the acceptable use of AI products, and creates a framework for best practices that instills ethical and moral guidelines.
11. Encourage the General Assembly to continue its support of policies that ensure utilities in the state of Kentucky possess the adequate generation and infrastructure required to meet increasing energy demands of the Commonwealth.

Representative Stevenson commented on the impact of AI on the administration of justice and the criminal code. Representative Bray responded that the task force had spoken with the Office of the Attorney General and, at this time, they had the tools needed. Senator Mays Bledsoe referenced Recommendation #7 and added that the reason the recommendation reads "individual likeness" is so that "likeness" can cover everything.

Senator Meredith commented that he believes the AI Task Force needs to be a continuing task force. Senator Mays Bledsoe stated she and Co-Chair Bray have spoken to leadership and are figuring out what the best plan will be going forward.

Senator Mays Bledsoe moved for the adoption of the recommendations. Representative Lewis seconded the motion, and the recommendations were adopted without objection.

Adjournment

There being no further business, the meeting was adjourned.