

January 19, 2022

The Honorable Brian Cina State House 115 State Street Montpelier VT 05633

Dear Representative Cina:

BSA | The Software Alliance would appreciate the opportunity to connect with you and your colleagues regarding legislation H410 with potential far-reaching implications for new and emerging technologies such as Artificial Intelligence (AI) and Automated Decision Systems. As you are aware, software innovation is fostering the development of a range of cutting-edge technologies that have the potential to improve daily lives and transform businesses. BSA, as the leading advocate for the global software industry before governments and in the international marketplace, seeks to share our policy expertise and perspective with policymakers as they consider legislation related to the ongoing development and deployment of these new technologies.

Profound breakthroughs over the past decade have transformed AI from an emerging lab-based technology into a commercial reality that is powering our smartphones, our homes, and our businesses. A flexible public policy framework that can adapt to the diverse range of AI use cases is necessary to enable the responsible deployment of AI products and services while allowing for future advances.

Al has great potential to generate substantial economic growth for states while enabling governments to provide more responsive citizen services and address some of the most pressing societal challenges. As Al is integrated into a staggering array of products, services and business processes, policymakers are appropriately exploring whether the right policies are in place to enhance the benefits of the technology while safeguarding against potential real-world risks.

While AI can undoubtedly be a force for good, there is a growing recognition that it can also perpetuate (or even exacerbate) existing social biases in ways that may systematically disadvantage members of historically marginalized communities. Recognizing that industry has a key role to play in addressing these issues, we recently published the <u>BSA Framework to Build Trust in AI</u>, a detailed methodology for performing impact assessments to help organizations responsibly manage the risk of bias throughout an AI system's lifecycle. Impact assessments are widely used in a range of other fields—from environmental protection to data privacy. Given the nascent state of AI technical standards, impact assessments performed by organizations that develop and/or deploy AI are the most effective tool for promoting transparency and

accountability of AI systems. In addition to serving as a playbook that companies can use to enhance trust in their AI system, the BSA Framework is also a helpful resource for policymakers interested in encouraging the adoption responsible best practices.

BSA also convened the policy and technological expertise of our member companies to identify five key policy pillars listed below for facilitating responsible AI innovation in the hope that we may serve to inform any emerging policies or legislation that state officials consider in the new legislative session.

Building Confidence and Trust in Al Systems

BSA and its members recognize that AI must be developed and deployed responsibly. That means being responsible stewards of customer data; explaining how AI systems work; and using AI to reduce bias in decision making and increase inclusion. Our members recognize the importance of raising awareness of and building confidence in AI systems and will continue to be leaders in creating best practices surrounding the development and deployment of fair, explainable, and accountable AI technologies.

Sound Data Innovation Policy

The exponential increase in data, combined with increases in remote computing power and development of more sophisticated algorithms, has fueled advances in machine learning and AI. Capitalizing on these capabilities to facilitate the development of AI requires sound data innovation policies that (1) ensure data can move freely across borders, (2) guarantee open access to government data, (3) facilitate the development of value-added data services, and (4) maintain predictable, technology-neutral competition policies.

Cybersecurity and Privacy Protection

As Al and other digital technologies increasingly create a globally connected economy, we must also be vigilant in addressing increased security and privacy risks. BSA advocates for policies that encourage the adoption of enhanced security measures and consumer choices while ensuring the ability to deliver valuable products and services.

Research and Development

Investment in education, research and technological development will be integral to continued development of AI technologies and economic growth. These efforts should include consistent public sector investment, particularly in projects focused on basic, long-term research, as well as investments in workforce training and development.

Workforce Development

Developments in AI are creating new types of jobs, in every sector of the economy, that require an evolving set of skills. The public and private sectors, as well as academia, have important roles to play in developing solutions that prepare the next generation for the jobs of the future and allow the current workforce to transition successfully to the new job environment. BSA members are deeply committed to tackling this challenge across sectors.

Thank you for allowing us to provide the enterprise software sector's perspective. We welcome the opportunity to serve as a resource and further engage with you or a member of your staff on these important issues.

Sincerely,

Tom Foulkes

Senior Director, State Advocacy