

AMENDMENT NO. \_\_\_\_\_ Calendar No. \_\_\_\_\_

Purpose: In the nature of a substitute.

**IN THE SENATE OF THE UNITED STATES—118th Cong., 2d Sess.**

**S. 4495**

To enable safe, responsible, and agile procurement, development, and use of artificial intelligence by the Federal Government, and for other purposes.

Referred to the Committee on \_\_\_\_\_ and  
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT IN THE NATURE OF A SUBSTITUTE intended  
to be proposed by Mr. PETERS

Viz:

1 Strike all after the enacting clause and insert the fol-  
2 lowing:

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Promoting Responsible  
5 Evaluation and Procurement to Advance Readiness for  
6 Enterprise-wide Deployment for Artificial Intelligence  
7 Act” or the “PREPARED for AI Act”.

8 **SEC. 2. DEFINITIONS.**

9 In this Act:

10 (1) **ADVERSE OUTCOME.**—The term “adverse  
11 outcome” means any behavior or malfunction, such

1 as a hallucination, algorithmic bias, or inconsistent  
2 output, of artificial intelligence that leads to—

3 (A) harm impacting rights or safety, as de-  
4 scribed in section 7(a)(3);

5 (B) the death of an individual or damage  
6 to the health of an individual;

7 (C) material or irreversible disruption of  
8 the management and operation of critical infra-  
9 structure, as described in section  
10 7(a)(3)(A)(ii)(III);

11 (D) material damage to property or the en-  
12 vironment;

13 (E) loss of a mission-critical system or  
14 equipment;

15 (F) failure of the mission of an agency;

16 (G) the wrongful denial of a benefit, pay-  
17 ment, or other service to an individual or group  
18 of individuals who would have otherwise been  
19 eligible;

20 (H) the denial of an employment, contract,  
21 grant, or similar opportunity that would have  
22 otherwise been offered; or

23 (I) another consequence, as determined by  
24 the Director with public notice.

25 (2) AGENCY.—The term “agency”—

1 (A) means each agency described in section  
2 3502(1) of title 44, United States Code; and

3 (B) does not include each of the inde-  
4 pendent regulatory agencies described in section  
5 3502(5) of title 44, United States Code.

6 (3) ARTIFICIAL INTELLIGENCE.—The term “ar-  
7 tificial intelligence”—

8 (A) has the meaning given that term in  
9 section 5002 of the National Artificial Intel-  
10 ligence Initiative Act of 2020 (15 U.S.C. 9401);  
11 and

12 (B) includes the artificial systems and  
13 techniques described in paragraphs (1) through  
14 (5) of section 238(g) of the John S. McCain  
15 National Defense Authorization Act for Fiscal  
16 Year 2019 (Public Law 115–232; 10 U.S.C.  
17 4061 note prec.).

18 (4) BIOMETRIC DATA.—The term “biometric  
19 data” means data resulting from specific technical  
20 processing relating to the unique physical, physio-  
21 logical, or behavioral characteristics of an individual,  
22 including facial images, dactyloscopic data, physical  
23 movement and gait, breath, voice, DNA, blood type,  
24 and expression of emotion, thought, or feeling.

1           (5) COMMERCIAL TECHNOLOGY.—The term  
2           “commercial technology”—

3                   (A) means a technology, process, or meth-  
4                   od, including research or development; and

5                   (B) includes commercial products, commer-  
6                   cial services, and other commercial items, as de-  
7                   fined in the Federal Acquisition Regulation, in-  
8                   cluding any addition or update thereto by the  
9                   Federal Acquisition Regulatory Council.

10           (6) COUNCIL.—The term “Council” means the  
11           Chief Artificial Intelligence Officers Council estab-  
12           lished under section 5(a).

13           (7) DEPLOYER.—The term “deployer” means  
14           an entity that operates, whether for the entity itself  
15           or on behalf of a third party, artificial intelligence,  
16           whether developed internally or by a third-party de-  
17           veloper.

18           (8) DEVELOPER.—The term “developer” means  
19           an entity that designs, codes, or produces artificial  
20           intelligence, including materially modifying artificial  
21           intelligence designed, coded, or produced by another  
22           entity.

23           (9) DIRECTOR.—The term “Director” means  
24           the Director of the Office of Management and Budg-  
25           et.

1           (10) GOVERNMENT DATA.—The term “Govern-  
2           ment data” means data collected, processed, main-  
3           tained, disseminated, or managed by an agency, in-  
4           cluding data reported to an agency.

5           (11) IMPACT ASSESSMENT.—The term “impact  
6           assessment” means a structured process for consid-  
7           ering and evaluating the implications of a proposed  
8           artificial intelligence use case.

9           (12) RELEVANT CONGRESSIONAL COMMIT-  
10          TEES.—The term “relevant congressional commit-  
11          tees” means the Committee on Homeland Security  
12          and Governmental Affairs of the Senate and the  
13          Committee on Oversight and Accountability of the  
14          House of Representatives.

15          (13) RISK.—The term “risk” means the com-  
16          bination of the probability of an occurrence of harm  
17          and the potential severity of that harm.

18          (14) USE CASE.—The term “use case” means  
19          the ways and context in which artificial intelligence  
20          is deployed to achieve a specific objective.

21 **SEC. 3. IMPLEMENTATION OF REQUIREMENTS.**

22          (a) AGENCY IMPLEMENTATION.—The Director shall  
23          facilitate the implementation of the requirements of this  
24          Act, including through the issuance of binding or non-  
25          binding guidance, as the Director determines appropriate.

1 (b) ANNUAL BRIEFING.—Not later than 180 days  
2 after the date of enactment of this Act, and annually  
3 thereafter, the Director shall brief the appropriate Con-  
4 gressional committees on implementation of this Act and  
5 related considerations.

6 **SEC. 4. PROCUREMENT OF ARTIFICIAL INTELLIGENCE.**

7 (a) GOVERNMENT-WIDE REQUIREMENTS.—

8 (1) IN GENERAL.—Not later than 15 months  
9 after the date of enactment of this Act, the Federal  
10 Acquisition Regulatory Council shall review Federal  
11 Acquisition Regulation acquisition planning, source  
12 selection, and other requirements and update the  
13 Federal Acquisition Regulation as needed for agency  
14 procurement of artificial intelligence, including—

15 (A) a requirement to address the outcomes  
16 of the risk evaluation and impact assessments  
17 required under section 7(a);

18 (B) a requirement for an interdisciplinary  
19 approach that includes consultation with agency  
20 experts prior to, and throughout, as necessary,  
21 procuring or obtaining artificial intelligence;  
22 and

23 (C) any other considerations determined  
24 relevant by the Federal Acquisition Regulatory  
25 Council.



- 1 (E) scope of use;
- 2 (F) ongoing monitoring and evaluation  
3 techniques;
- 4 (G) environmental impact;
- 5 (H) cybersecurity minimum standards, in-  
6 cluding regular vulnerability testing and  
7 patching and cybersecurity monitoring;
- 8 (I) risk mitigation techniques, including a  
9 plan for minimizing the likelihood of adverse  
10 outcomes and reporting adverse outcomes, pur-  
11 suant to section 5(h); and
- 12 (J) developer and deployer disclosure re-  
13 quirements necessary to comply with the re-  
14 quirements of this Act.

15 (b) REQUIREMENTS FOR HIGH RISK ARTIFICIAL IN-  
16 TELLIGENCE USE CASES.—

17 (1) ESTABLISHMENT.—Beginning on the date  
18 that is 1 year after the date of enactment of this  
19 Act, the head of an agency may not procure or ob-  
20 tain artificial intelligence for a high risk use case, as  
21 defined in section 7(a)(3), prior to establishing and  
22 incorporating certain terms into relevant contracts  
23 and agreements for an artificial intelligence use  
24 case, including—



1 (A) a requirement to disclose to the agency  
2 the purpose for which the artificial intelligence  
3 was intended to be used and any potential risks  
4 from the use of the artificial intelligence;

5 (B) requirements for safety, security, pri-  
6 vacy, and trustworthiness, including—

7 (i) a reporting mechanism through  
8 which agency personnel are notified of an  
9 adverse outcome involving artificial intel-  
10 ligence procured or obtained by the agency;

11 (ii) a requirement, in accordance with  
12 section 5(h), that agency personnel receive  
13 a notification of an adverse outcome involv-  
14 ing artificial intelligence procured or ob-  
15 tained by the agency, and, at a minimum,  
16 an explanation of the cause of the adverse  
17 outcome and any data directly connected  
18 to the adverse outcome;

19 (iii) that the agency may consider  
20 temporarily or permanently suspending use  
21 of the artificial intelligence, with minimal  
22 impact on unrelated services, if the risks of  
23 the artificial intelligence to rights or safety  
24 outweigh the benefits of the use case; and

1 (iv) a requirement that the deployer  
2 and any relevant developer utilize the most  
3 recently updated version of the framework  
4 developed and updated pursuant to section  
5 22(A)(c) of the National Institute of  
6 Standards and Technology Act (15 U.S.C.  
7 278h-1(c));

8 (C) requirements to disclose to the agency  
9 sufficient descriptive information relating to the  
10 ownership of data, as appropriate by use case,  
11 including—

12 (i) requirements for retention of  
13 rights to Government data and any modi-  
14 fication to Government data, including to  
15 protect Government data from unauthor-  
16 ized disclosure and use to subsequently  
17 train or improve the functionality of com-  
18 mercial products offered by the deployer,  
19 any relevant developers, or others; and

20 (ii) a requirement that the deployer, if  
21 the deployer is not the agency, and any rel-  
22 evant developers or other parties isolate  
23 non-public Government data from all other  
24 data through methods, such as physical  
25 separation, electronic separation via secure

1                   copies with strict access controls, or other  
2                   computational isolation mechanisms;

3                   (D) requirements for evaluation and test-  
4                   ing of artificial intelligence based on use case,  
5                   to be performed on an ongoing basis; and

6                   (E) requirements to provide documenta-  
7                   tion, as determined necessary and requested by  
8                   the agency, in accordance with section 7(b).

9                   (2) REVIEW.—The Senior Procurement Execu-  
10                  tive, in coordination with the Chief Artificial Intel-  
11                  ligence Officer, shall, as practicable, consult with  
12                  technologists, information security and cybersecurity  
13                  personnel, domain experts, privacy officers, data of-  
14                  ficers, civil rights and civil liberties officers, con-  
15                  tracting officials, legal counsel, customer experience  
16                  professionals, program evaluation officers, and other  
17                  relevant agency officials to review the requirements  
18                  described in subparagraphs (A) through (E) of para-  
19                  graph (1) and determine whether it may be nec-  
20                  essary to incorporate additional requirements into  
21                  relevant contracts or agreements.

22                  (3) REGULATION.—The Federal Acquisition  
23                  Regulatory Council shall revise the Federal Acquisi-  
24                  tion Regulation as necessary to implement the re-  
25                  quirements of this subsection.

1 **SEC. 5. INTERAGENCY GOVERNANCE OF ARTIFICIAL INTEL-**  
2 **LIGENCE.**

3 (a) CHIEF ARTIFICIAL INTELLIGENCE OFFICERS  
4 COUNCIL.—Not later than 60 days after the date of enact-  
5 ment of this Act, the Director shall establish a Chief Arti-  
6 ficial Intelligence Officers Council.

7 (b) DUTIES.—The duties of the Council shall in-  
8 clude—

9 (1) coordinating agency development and use of  
10 artificial intelligence in agency programs and oper-  
11 ations, including practices relating to the design, op-  
12 eration, risk management, and performance of artifi-  
13 cial intelligence;

14 (2) sharing experiences, ideas, best practices,  
15 and innovative approaches relating to artificial intel-  
16 ligence;

17 (3) identifying, developing, and coordinating  
18 multi-agency projects and other initiatives;

19 (4) harmonizing agency management of risks  
20 relating to developing, obtaining, or using artificial  
21 intelligence, including by developing a common tem-  
22 plate to guide agency Chief Artificial Intelligence Of-  
23 ficers in implementing a risk evaluation process that  
24 may incorporate best practices, such as those from—

25 (A) the most recently updated version of  
26 the framework developed and updated pursuant

1 to section 22A(c) of the National Institute of  
2 Standards and Technology Act (15 U.S.C.  
3 278h–1(c)); and

4 (B) the report published by the Govern-  
5 ment Accountability Office entitled “Artificial  
6 Intelligence: An Accountability Framework for  
7 Federal Agencies and Other Entities” (GAO-  
8 21-519SP), published on June 30, 2021;

9 (5) promoting the development and use of se-  
10 cure, common, shared, or other approaches to key  
11 processes that improve the delivery of services for  
12 the public;

13 (6) soliciting and providing perspectives on  
14 matters of concern, including from and to—

15 (A) interagency councils;

16 (B) Federal Government entities;

17 (C) private sector, public sector, nonprofit,  
18 and academic experts;

19 (D) State, local, Tribal, territorial, and  
20 international governments; and

21 (E) other individuals and entities, as deter-  
22 mined relevant by the Council;

23 (7) working with the Chief Acquisition Officers  
24 Council—

1 (A) to ensure contractors, including small  
2 businesses, have the benefit of integrity, fair-  
3 ness, competition, openness, and efficiency in  
4 accordance with the statutory functions of the  
5 Chief Acquisition Officers Council, as described  
6 in section 1312 of title 41, United States Code;  
7 and

8 (B) which shall establish a working group  
9 for the purpose described in subparagraph (A)  
10 and related purposes; and

11 (8) any other matters determined by the Coun-  
12 cil to be relevant.

13 (c) MEMBERSHIP OF THE COUNCIL.—

14 (1) LEADERS.—

15 (A) CHAIR.—The Director shall serve as  
16 Chair of the Council.

17 (B) VICE CHAIR.—The Council shall have  
18 a Vice Chair, who shall be an individual se-  
19 lected by a majority of the members of the  
20 Council.

21 (C) ADDITIONAL ROLES.—The Council  
22 may establish additional leadership roles, at the  
23 discretion of the Council.

24 (2) MEMBERS.—Other members of the Council  
25 shall include—

1 (A) the Chief Artificial Intelligence Officer  
2 of each agency; and

3 (B) the senior official for artificial intel-  
4 ligence of the Office of Management and Budg-  
5 et.

6 (d) STANDING COMMITTEES; WORKING GROUPS.—

7 The Council shall have the authority to establish standing  
8 committees, including an executive committee, and work-  
9 ing groups.

10 (e) COUNCIL STAFF.—The Council may enter into an  
11 interagency agreement with the Administrator of General  
12 Services for shared services for the purpose of staffing the  
13 Council.

14 (f) REPORTS.—

15 (1) IN GENERAL.—Not later than 3 years after  
16 the date of enactment of this Act, the Comptroller  
17 General of the United States shall submit to the  
18 Committee on Homeland Security and Governmental  
19 Affairs of the Senate and the Committee on Over-  
20 sight and Accountability of the House of Represent-  
21 atives a report that—

22 (A) identifies, to the extent practicable,  
23 ways to improve coordination with other coun-  
24 cils throughout the Federal Government; and

1 (B) recommends ways to improve the util-  
2 ity of the Council for the public and other agen-  
3 cies.

4 (2) CONSOLIDATION.—In fulfilling the require-  
5 ment under paragraph (1), the Comptroller General  
6 of the United States may, if desired, consolidate the  
7 report under that paragraph with another report  
8 concerning interagency coordination.

9 (g) DEVELOPMENT, ADAPTATION, AND DOCUMENTA-  
10 TION.—

11 (1) GUIDANCE.—Not later than 1 year after  
12 the date of enactment of this Act, the Director shall  
13 issue guidance on—

14 (A) how to conduct the agency impact as-  
15 sessments described in section 7(a) and other  
16 relevant impact assessments as determined ap-  
17 propriate by the Director, including the appro-  
18 priateness of adapting pre-existing assessments,  
19 including privacy and security impact assess-  
20 ments, for purposes of an artificial intelligence  
21 impact assessment;

22 (B) development of a model template for  
23 the risk classification explanations that each  
24 agency must provide under section 7(a)(6);



1 (C) development of a model template for  
2 procurement of artificial intelligence intended to  
3 help agencies use consistent terms, definitions,  
4 and documentation requirements; and

5 (D) additional matters relating to the im-  
6 plementation of this Act, as determined relevant  
7 by the Director.

8 (2) BIENNIAL REVIEW.—The Director shall pe-  
9 riodically, but not less frequently than biennially, re-  
10 view and update, as needed, the guidance issued  
11 under paragraph (1).

12 (h) ADVERSE OUTCOME REPORTING.—

13 (1) IN GENERAL.—Not later than 1 year after  
14 the date of enactment of this Act, the Director shall  
15 develop procedures for ensuring that, at a min-  
16 imum—

17 (A) adverse outcomes involving artificial  
18 intelligence procured or obtained or used by  
19 agencies are reported promptly to the relevant  
20 agency or agencies by the developer or deployer,  
21 if the deployer is not the agency, or to the de-  
22 veloper or deployer by the relevant agency,  
23 whichever first becomes aware of the adverse  
24 outcome; and

1 (B) information relating to an adverse out-  
2 come described in subparagraph (A) is appro-  
3 priately shared among agencies.

4 (2) SINGLE REPORT.—Adverse outcomes also  
5 qualifying for incident reporting under section 3554  
6 of title 44, United States Code, or other relevant  
7 laws or policies, may be reported under such other  
8 reporting requirement and are not required to be ad-  
9 ditionally reported under this subsection.

10 (3) NOTICE TO DEVELOPERS AND  
11 DEPLOYERS.—

12 (A) IN GENERAL.—If and upon discovery  
13 of an adverse outcome by an agency, the agency  
14 shall—

15 (i) report the adverse outcome to the  
16 deployer, if the deployer is not the agency,  
17 and any relevant developers; and

18 (ii) in consultation with any relevant  
19 deployers and developers, take action to re-  
20 solve the adverse outcome and mitigate the  
21 potential for future adverse outcomes.

22 (B) WAIVER.—

23 (i) IN GENERAL.—Unless otherwise  
24 required by law, the head of an agency  
25 may issue a written waiver that waives the

1 applicability of some or all of the require-  
2 ments under subparagraph (A), with re-  
3 spect to a specific adverse outcome.

4 (ii) WRITTEN WAIVER CONTENTS.—A  
5 written waiver under clause (i) shall in-  
6 clude justification for the waiver.

7 (iii) NOTICE.—The head of an agency  
8 shall forward advance notice of any waiver  
9 under this subparagraph to the Director.

10 **SEC. 6. AGENCY GOVERNANCE OF ARTIFICIAL INTEL-**  
11 **LIGENCE.**

12 (a) IN GENERAL.—The head of an agency shall—

13 (1) ensure the responsible adoption of artificial  
14 intelligence, including by—

15 (A) requiring the development or revision  
16 of relevant agency policies and directives;

17 (B) testing, verifying, validating, and mon-  
18 itoring artificial intelligence and the use case-  
19 specific performance of artificial intelligence,  
20 proportionate to risk level, to minimize the like-  
21 lihood of adverse outcomes by—

22 (i) ensuring the use of artificial intel-  
23 ligence is appropriate to and improves the  
24 effectiveness of the mission of the agency;

1 (ii) guarding against bias in data col-  
2 lection, use, and dissemination;

3 (iii) ensuring reliability, fairness, and  
4 transparency; and

5 (iv) protecting against impermissible  
6 discrimination;

7 (C) continuing to hire, train, and develop  
8 a workforce that—

9 (i) understands the risks and benefits  
10 of artificial intelligence, including artificial  
11 intelligence embedded in agency systems  
12 and operations;

13 (ii) is able to provide human oversight  
14 for the design, implementation, and end  
15 uses of artificial intelligence; and

16 (iii) is able to review and provide re-  
17 dress for erroneous decisions made in the  
18 course of artificial intelligence-assisted  
19 processes; and

20 (D) ensuring implementation of the agency  
21 requirements under this Act;

22 (2) designate a Chief Artificial Intelligence Offi-  
23 cer, whose duties shall include—

24 (A) ensuring appropriate use of artificial  
25 intelligence;

1 (B) coordinating agency use of artificial in-  
2 telligence;

3 (C) promoting artificial intelligence innova-  
4 tion;

5 (D) managing the risks of use of artificial  
6 intelligence;

7 (E) minimizing the likelihood of adverse  
8 outcomes;

9 (F) supporting the head of the agency with  
10 developing the risk evaluation process required  
11 under section 7(a) and complying with other re-  
12 quirements of this Act;

13 (G) supporting agency personnel leading  
14 the procurement and deployment of artificial in-  
15 telligence to comply with the requirements  
16 under this Act; and

17 (H) coordinating with other responsible of-  
18 ficials and appropriate stakeholders with re-  
19 spect to the duties described in subparagraphs  
20 (A) through (G), as appropriate; and

21 (3) form and convene an Artificial Intelligence  
22 Governance Board, if required by subsection (b),  
23 which shall coordinate and govern artificial intel-  
24 ligence issues across the agency.

1 (b) DESIGNATION OF CHIEF ARTIFICIAL INTEL-  
2 LIGENCE OFFICER.—The head of an agency may des-  
3 ignate as Chief Artificial Intelligence Officer an existing  
4 official within the agency, including the Chief Technology  
5 Officer, Chief Data Officer, Chief Information Officer, or  
6 other official with relevant or complementary authorities  
7 and responsibilities, if such existing official has expertise  
8 in artificial intelligence and meets the requirements of this  
9 section.

10 (c) ARTIFICIAL INTELLIGENCE GOVERNANCE  
11 BOARD.—

12 (1) LEADERSHIP.—Each agency identified in  
13 section 901(b) of title 31, United States Code, shall  
14 establish an Artificial Intelligence Governance Board  
15 (referred to in this subsection as “Board”) that shall  
16 be chaired by the Deputy Secretary of the agency or  
17 equivalent official and vice-chaired by the Chief Arti-  
18 ficial Intelligence Officer of the agency. Neither the  
19 chair nor the vice-chair may assign or delegate these  
20 roles to other officials.

21 (2) REPRESENTATION.—The Board shall, at a  
22 minimum, include representatives consisting of—

23 (A) senior agency officials from operational  
24 components, if relevant;

1 (B) program officials responsible for imple-  
2 menting artificial intelligence; and

3 (C) officials responsible for information  
4 technology, data, cybersecurity, privacy, statis-  
5 tics, civil rights and civil liberties, human cap-  
6 ital, procurement, finance, legal counsel, agency  
7 management, program evaluation, and customer  
8 experience.

9 (3) EXISTING BODIES.—An agency may rely on  
10 an existing governance body to fulfill the require-  
11 ments of this subsection if the body satisfies or is  
12 adjusted to satisfy the leadership and representation  
13 requirements of paragraphs (1) and (2).

14 (d) EFFECTIVE DATE.—Beginning on the date that  
15 is 120 days after the date of enactment of this Act, an  
16 agency shall not develop, procure, or obtain artificial intel-  
17 ligence prior to completing the requirements under para-  
18 graphs (2) and (3) of subsection (a).

19 **SEC. 7. AGENCY REQUIREMENTS FOR USE OF ARTIFICIAL**  
20 **INTELLIGENCE.**

21 (a) RISK EVALUATION PROCESS.—

22 (1) IN GENERAL.—Not later than 180 days  
23 after the date of enactment of this Act, the Chief  
24 Artificial Intelligence Officer of each agency, in co-  
25 ordination with the Artificial Intelligence Govern-

1       ance Board of the agency, shall develop and imple-  
2       ment a process for identifying when the use of artifi-  
3       cial intelligence by the agency meets the definition of  
4       high risk, as defined in paragraph (3).

5           (2) PROCESS REQUIREMENTS.—The risk eval-  
6       uation process described in paragraph (1), shall in-  
7       clude, for each artificial intelligence use case—

8           (A) identification of the purpose, expected  
9       benefits, and potential risks of the artificial in-  
10      telligence use case;

11          (B) a plan to periodically review the artifi-  
12      cial intelligence use case to examine whether  
13      the expected benefits and potential risks identi-  
14      fied under subparagraph (A) have changed or  
15      evolved; and

16          (C) if a high risk determination has been  
17      made, the need for targeted impact assess-  
18      ments, beyond those required under any other  
19      provision of law, to further evaluate specific  
20      risks of the artificial intelligence use case in co-  
21      ordination with other responsible officials within  
22      certain impact areas, which shall include pri-  
23      vacy, security, civil rights and civil liberties, ac-  
24      cessibility, environmental impact, health and  
25      safety, and any other impact area relating to



1 high risk classification under paragraph (3) as  
2 determined appropriate by the Chief Artificial  
3 Intelligence Officer.

4 (3) HIGH RISK USE CASES.—

5 (A) IN GENERAL.—High risk classification  
6 shall, at a minimum, apply to use cases for  
7 which the outputs serve as a principal basis  
8 for—

9 (i) a decision or action that has a  
10 legal, material, binding, or similarly signifi-  
11 cant effect, with respect to an individual or  
12 community, on—

13 (I) civil rights, civil liberties, or  
14 privacy;

15 (II) access to education, housing,  
16 insurance, credit, employment, and  
17 other programs where civil rights and  
18 equal opportunity protections apply;  
19 or

20 (III) access to or the ability to  
21 apply for critical government re-  
22 sources or services, including  
23 healthcare, financial services, public  
24 housing, social services, transpor-

1 tation, and essential goods and serv-  
2 ices; or

3 (ii) a decision that substantially im-  
4 pacts the safety of, or has the potential to  
5 substantially impact the safety of—

6 (I) an individual or community,  
7 including loss of life, serious injury,  
8 bodily harm, biological or chemical  
9 harms, occupational hazards, harass-  
10 ment or abuse, or mental health;

11 (II) the environment, including  
12 irreversible or significant environ-  
13 mental damage;

14 (III) critical infrastructure, in-  
15 cluding the critical infrastructure sec-  
16 tors defined in National Security  
17 Memorandum 22 (NSM-22) (dated  
18 April 30, 2024) (or any successor di-  
19 rective) and the infrastructure for vot-  
20 ing and protecting the integrity of  
21 elections; or

22 (IV) strategic assets or resources,  
23 including high-value property and in-  
24 formation marked as sensitive or clas-  
25 sified by the Federal Government.

1 (B) CLASSIFICATION VARIANCE.—

2 (i) VARIANCE WITHIN A MISSION  
3 AREA.—The risk evaluation process may  
4 allow for a particular operational use case  
5 to not be classified as high risk, even if the  
6 use case is a part of a larger area of the  
7 mission of the agency that is thought to be  
8 high risk, if the operational use case is de-  
9 termined not to be high risk based on the  
10 required risk evaluation under paragraph  
11 (1).

12 (ii) CHANGES BASED ON TESTING OR  
13 NEW INFORMATION.—The risk evaluation  
14 process may allow for changes to the risk  
15 classification of an artificial intelligence  
16 use case based on the results from testing  
17 during the procurement process or other  
18 information that becomes available.

19 (4) REVIEW.—Not later than 1 year after the  
20 date of enactment of this Act, the Chief Artificial  
21 Intelligence Officer of the agency shall—

22 (A) certify whether each existing use case  
23 presents a high risk; and

24 (B) identify and review any use cases the  
25 agency is planning, developing, procuring, or

1           obtaining to determine whether each such use  
2           cases presents a high risk.

3           (5) DEVELOPMENT.—For any artificial intel-  
4           ligence that is developed by the agency, the agency  
5           shall ensure a risk evaluation is conducted prior to  
6           deployment in a production or operational environ-  
7           ment that is fit for the intended use.

8           (6) RATIONALE FOR RISK CLASSIFICATION.—

9           (A) IN GENERAL.—A high risk classifica-  
10          tion of an artificial intelligence use case shall be  
11          accompanied by an explanation from the agen-  
12          cy, that a reasonable person would consider suf-  
13          ficient to understand, of how the classification  
14          was determined, which shall be included in the  
15          artificial intelligence use case inventory of the  
16          agency.

17          (B) TEMPLATE.—A risk classification ex-  
18          planation under subparagraph (A) shall utilize  
19          the model template developed by the Director  
20          under section 5(g)(1)(B) if the explanation is  
21          written after the date that such model template  
22          has become available.

23          (b) DOCUMENTATION REQUIREMENTS.—

24           (1) DOCUMENTATION FOR HIGH RISK USE  
25          CASES.—Beginning on the date that is 1 year after

1 the date of enactment of this Act, prior to devel-  
2 oping, procuring or obtaining, or using artificial in-  
3 telligence to be used in a high risk use case, an  
4 agency shall require the deployer, if the deployer is  
5 not the agency, in consultation with any relevant de-  
6 velopers, to submit the following documentation:

7 (A) A description of the types of data  
8 sources used to train the artificial intelligence,  
9 whether the data is from licensed material, and  
10 an identification of the specific issues related to  
11 safety, bias, and fairness, that may be expected  
12 to arise from the use of the data, and any miti-  
13 gation techniques used, if applicable.

14 (B) A description of the methodologies  
15 used to evaluate the performance of the artifi-  
16 cial intelligence for its intended use.

17 (C) Documentation demonstrating imple-  
18 mentation of risk evaluation and management  
19 measures, including the evaluation and manage-  
20 ment of safety, bias, and fairness risks, as ap-  
21 propriate.

22 (D) Information on the collection, manage-  
23 ment, and protection of data, in compliance  
24 with applicable laws.

1                   (E) Documentation of the known limita-  
2                   tions of the artificial intelligence, and if applica-  
3                   ble, supplementary guidelines on how the artifi-  
4                   cial intelligence is intended to be used.

5                   (2) SUFFICIENCY OF DOCUMENTATION.—The  
6                   Chief Artificial Intelligence Officer of an agency  
7                   shall determine the sufficiency of the documentation  
8                   provided in meeting the requirements under para-  
9                   graph (1).

10                  (3) UPDATES.—An agency shall require that a  
11                  deployer, if the deployer is not the agency, in con-  
12                  sultation with any relevant developers, submit up-  
13                  dates to the documentation required under para-  
14                  graph (1), if and when there are any material  
15                  changes to the information in such documentation.

16                  (4) REVIEW OF REQUIREMENTS.—Not later  
17                  than 2 years after the date of enactment of this Act,  
18                  the Comptroller General shall conduct a review of  
19                  the documentation requirements under paragraphs  
20                  (1) and (3) to—

21                         (A) examine whether agencies, third-party  
22                         deployers, and developers are complying with  
23                         the requirements under those paragraphs, and  
24                         make associated findings and recommendations;  
25                         and

1           (B) make general findings and rec-  
2           ommendations to further assist in ensuring  
3           safe, responsible, and efficient agency procure-  
4           ment and use of artificial intelligence.

5           (5) SECURITY OF PROVIDED DOCUMENTA-  
6           TION.—The head of each agency shall ensure that  
7           appropriate security measures and access controls  
8           are in place to protect documentation provided pur-  
9           suant to this section.

10          (c) INFORMATION AND USE PROTECTIONS.—Infor-  
11          mation provided to an agency under subsection (b) may  
12          be used by the agency, consistent with otherwise applicable  
13          provisions of Federal law, solely for—

14               (1) assessing the ability of artificial intelligence  
15               to achieve the requirements and objectives of the  
16               agency and the requirements of this Act; and

17               (2) identifying—

18                       (A) adverse effects of artificial intelligence  
19                       on the rights or safety factors identified in sub-  
20                       section (a)(3);

21                       (B) cyber threats, including the sources of  
22                       the cyber threats; and

23                       (C) security vulnerabilities.

24          (d) PRE-DEPLOYMENT REQUIREMENTS FOR HIGH  
25          RISK ARTIFICIAL INTELLIGENCE USE CASES.—Beginning

1 on the date that is 18 months after the date of enactment  
2 of this Act, the head of an agency shall not deploy or use  
3 artificial intelligence for a high risk use case prior to—

4 (1) complying with the requirements of sub-  
5 section (a);

6 (2) obtaining documentation of the artificial in-  
7 telligence described in subsection (b)(2), source, and  
8 use case in agency software and use case inventories;

9 (3) testing the artificial intelligence in an oper-  
10 ational, real-world setting with privacy, security, civil  
11 rights, and civil liberty safeguards to ensure the ar-  
12 tificial intelligence is capable of meeting its objec-  
13 tives, and to determine, to the maximum extent  
14 practicable, the likelihood and impact of adverse out-  
15 comes occurring during use;

16 (4) establishing appropriate agency rules of be-  
17 havior for the use case, including required human  
18 involvement in, and reasonable plain-language notice  
19 about, decisions made in whole or part by the artifi-  
20 cial intelligence, as determined by the Chief Artifi-  
21 cial Intelligence Officer in coordination with the pro-  
22 gram manager or equivalent agency personnel;

23 (5) if appropriate, consultation with and collec-  
24 tion of feedback from affected communities and the



1 public on the design, development, and use of the  
2 high risk use case;

3 (6) establishing appropriate agency training  
4 programs, including documentation of completion of  
5 training prior to use of artificial intelligence, that  
6 educate agency personnel involved with the applica-  
7 tion of artificial intelligence in high risk use cases on  
8 the capacities and limitations of artificial intel-  
9 ligence, including training on—

10 (A) monitoring, detecting, and reporting  
11 anomalies, dysfunctions, and unexpected per-  
12 formance in a timely manner;

13 (B) reducing over-reliance on the output  
14 produced by artificial intelligence in a high risk  
15 use case, particularly if artificial intelligence is  
16 used to make decisions impacting individuals;

17 (C) accurately interpreting the output of  
18 artificial intelligence, particularly considering  
19 the characteristics of the system and the inter-  
20 pretation tools and methods available;

21 (D) when to not use, disregard, override,  
22 or reverse the output of artificial intelligence;

23 (E) how to intervene or interrupt the oper-  
24 ation of artificial intelligence;

1 (F) limiting the use of artificial intelligence  
2 to its intended purpose; and

3 (G) procedures for reporting adverse out-  
4 comes, as determined under section 5(h), and  
5 other problems that may arise with artificial in-  
6 telligence that does not function as intended;  
7 and

8 (7) determining whether the benefits of the use  
9 case outweigh the risks by—

10 (A) evaluating the information learned  
11 from completing the requirements under para-  
12 graphs (2) and (3); and

13 (B) assessing whether the requirements  
14 under paragraphs (2) through (6) have been ac-  
15 complished and known risks have been effec-  
16 tively mitigated.

17 (e) DETERMINATIONS.—

18 (1) REQUESTS FOR DETERMINATION INFORMA-  
19 TION.—The head of an agency shall make available  
20 to the relevant congressional committees or the Di-  
21 rector, upon request, a determination under sub-  
22 section (d)(7) and the respective supporting docu-  
23 mentation.

24 (2) REEVALUATION.—If it is determined under  
25 subsection (d)(7) that the benefits of a use case do

1 not outweigh the risks and the risks cannot be effec-  
2 tively mitigated, the agency may decide to reevaluate  
3 the use case indefinitely or until appropriate meas-  
4 ures under the requirements in paragraphs (2)  
5 through (6) of that subsection are established.

6 (f) ONGOING MONITORING OF ARTIFICIAL INTEL-  
7 LIGENCE IN HIGH RISK USE CASES.—Beginning on the  
8 date that is 1 year after the date of enactment of this  
9 Act, the Chief Artificial Intelligence Officer of each agency  
10 shall—

11 (1) establish a reporting system, consistent with  
12 section 5(h), and suspension and shut-down proto-  
13 cols for defects or adverse outcomes of artificial in-  
14 telligence, and conduct ongoing monitoring, as deter-  
15 mined necessary by use case;

16 (2) oversee the development and implementa-  
17 tion of ongoing testing and evaluation processes for  
18 artificial intelligence in high risk use cases to ensure  
19 continued mitigation of the potential risks identified  
20 in the risk evaluation process; and

21 (3) implement a process to ensure that risk  
22 mitigation efforts for artificial intelligence are re-  
23 viewed not less than annually and updated as nec-  
24 essary to account for the development of new

1 versions of artificial intelligence and changes to the  
2 risk profile.

3 (g) CHANGED RISKS.—In the process of complying  
4 with subsections (d) and (f), an agency shall determine  
5 whether an intended use case should be paused, stopped  
6 permanently, or continued if new information changes the  
7 risks associated with the use case or requires new testing  
8 and monitoring procedures under those subsections.

9 (h) EXCEPTION.—The requirements under sub-  
10 sections (a) and (b) shall not apply to an algorithm soft-  
11 ware update, enhancement, derivative, correction, defect,  
12 or fix for artificial intelligence that does not materially  
13 change the compliance of the deployer with the require-  
14 ments of those subsections, unless determined otherwise  
15 by the agency Chief Artificial Intelligence Officer.

16 (i) WAIVERS.—

17 (1) IN GENERAL.—The head of an agency, or 1  
18 or more deputy heads of an agency designated by  
19 the head of the agency, may waive 1 or more re-  
20 quirements under subsection (d) for a specific use  
21 case after making a written determination, based  
22 upon a risk assessment conducted by a human, that  
23 fulfilling the requirement or requirements would in-  
24 crease risks to safety or rights overall, would create  
25 an unacceptable impediment to critical agency oper-

1 ations, or would not be in the national security in-  
2 terests of the United States.

3 (2) REQUIREMENTS.—A waiver under para-  
4 graph (1) shall—

5 (A) include, at a minimum, the reasons for  
6 the waiver and a plan to bring the specific use  
7 case into compliance with subsection (d) before  
8 the end of the waiver, pursuant to paragraph  
9 (4); and

10 (B) be submitted to the relevant congress-  
11 sional committees and the Director not later  
12 than 15 days after the head of the agency  
13 grants the waiver.

14 (3) REVIEW.—The Director shall review the  
15 waiver and relevant documentation to determine  
16 whether the waiver was improperly granted.

17 (4) DURATION.—A waiver under paragraph (1)  
18 shall be limited to a duration of 1 year, at which  
19 time, if the agency is unable to bring the specific use  
20 case into compliance with subsection (d), the agency  
21 shall cease use or deployment of the use case until  
22 the use case can be brought into compliance with  
23 that subsection.

24 (j) INFRASTRUCTURE SECURITY.—The head of an  
25 agency, in consultation with the agency Chief Artificial In-

1 telligence Officer, Chief Information Officer, Chief Data  
2 Officer, and other relevant agency officials, shall reeval-  
3 ate infrastructure security protocols based on the artificial  
4 intelligence use cases and associated risks to infrastruc-  
5 ture security of the agency.

6 (k) COMPLIANCE DEADLINE.—Not later than 270  
7 days after the date of enactment of this Act, the require-  
8 ments of subsections (a) through (j) of this section shall  
9 apply with respect to artificial intelligence that is already  
10 in use on the date of enactment of this Act.

11 **SEC. 8. PROHIBITION ON SELECT ARTIFICIAL INTEL-**  
12 **LIGENCE USE CASES.**

13 No agency may develop, procure, obtain, or use artifi-  
14 cial intelligence for—

15 (1) mapping facial biometric features of an in-  
16 dividual to assign corresponding emotion and poten-  
17 tially take action against the individual;

18 (2) categorizing and taking action against an  
19 individual based on biometric data of the individual  
20 to deduce or infer race, political opinion, religious or  
21 philosophical beliefs, trade union status, sexual ori-  
22 entation, or other personal trait, with the exception  
23 of deducing or inferring age in the context of inves-  
24 tigating child sexual abuse; or

1           (3) evaluating, classifying, rating, or scoring  
2           the trustworthiness or social standing of an indi-  
3           vidual based on multiple data points and time occur-  
4           rences related to the social behavior of the individual  
5           in multiple contexts or known or predicted personal  
6           or personality characteristics in a manner that may  
7           lead to discriminatory outcomes.

8   **SEC. 9. AGENCY PROCUREMENT INNOVATION LABS.**

9           (a) IN GENERAL.—Each agency identified in 901(b)  
10          of title 31, United States Code, that does not have a Pro-  
11          curement Innovation Lab on the date of enactment of this  
12          Act should consider establishing a lab or similar mecha-  
13          nism to test new approaches, share lessons learned, and  
14          promote best practices in procurement, including for com-  
15          mercial technology, such as artificial intelligence, that is  
16          trustworthy and best-suited for the needs of the agency.

17          (b) FUNCTIONS.—The functions of the Procurement  
18          Innovation Lab or similar mechanism should include—

19                 (1) providing leadership support as well as ca-  
20                 pability and capacity to test, document, and help  
21                 agency programs adopt new and better practices  
22                 through all stages of the acquisition lifecycle, begin-  
23                 ning with project definition and requirements devel-  
24                 opment;





1 phase test program of contracts in accordance with this  
2 section.

3 (b) PURPOSE.—A test program established under  
4 this section shall—

5 (1) provide a means by which an agency may  
6 post a solicitation, including for a general need or  
7 area of interest, for which the agency intends to ex-  
8 plore commercial technology solutions and for which  
9 an offeror may submit a bid based on existing com-  
10 mercial capabilities of the offeror with minimal  
11 modifications or a technology that the offeror is de-  
12 veloping for commercial purposes; and

13 (2) use phases, as described in subsection (c),  
14 to minimize government risk and incentivize com-  
15 petition.

16 (c) CONTRACTING PROCEDURES.—Under a test pro-  
17 gram established under this section, the head of an agency  
18 may acquire commercial technology through a competitive  
19 evaluation of proposals resulting from general solicitation  
20 in the following phases:

21 (1) PHASE 1 (VIABILITY OF POTENTIAL SOLU-  
22 TION).—Selectees may be awarded a portion of the  
23 total contract award and have a period of perform-  
24 ance of not longer than 1 year to prove the merits,

1 feasibility, and technological benefit the proposal  
2 would achieve for the agency.

3 (2) PHASE 2 (MAJOR DETAILS AND SCALED  
4 TEST).—Selectees may be awarded a portion of the  
5 total contract award and have a period of perform-  
6 ance of not longer than 1 year to create a detailed  
7 timeline, establish an agreeable intellectual property  
8 ownership agreement, and implement the proposal  
9 on a small scale.

10 (3) PHASE 3 (IMPLEMENTATION OR RECY-  
11 CLE).—

12 (A) IN GENERAL.—Following successful  
13 performance on phase 1 and 2, selectees may be  
14 awarded up to the full remainder of the total  
15 contract award to implement the proposal, de-  
16 pending on the agreed upon costs and the num-  
17 ber of contractors selected.

18 (B) FAILURE TO FIND SUITABLE SELECT-  
19 EES.—If no selectees are found suitable for  
20 phase 3, the agency head may determine not to  
21 make any selections for phase 3, terminate the  
22 solicitation and utilize any remaining funds to  
23 issue a modified general solicitation for the  
24 same area of interest.

1 (d) TREATMENT AS COMPETITIVE PROCEDURES.—

2 The use of general solicitation competitive procedures for  
3 a test program under this section shall be considered to  
4 be use of competitive procedures as defined in section 152  
5 of title 41, United States Code.

6 (e) LIMITATION.—The head of an agency shall not  
7 enter into a contract under the test program for an  
8 amount in excess of \$25,000,000.

9 (f) GUIDANCE.—

10 (1) FEDERAL ACQUISITION REGULATORY COUN-  
11 CIL.—The Federal Acquisition Regulatory Council  
12 shall revise the Federal Acquisition Regulation as  
13 necessary to implement this section, including re-  
14 quirements for each general solicitation under a test  
15 program to be made publicly available through a  
16 means that provides access to the notice of the gen-  
17 eral solicitation through the System for Award Man-  
18 agement or subsequent government-wide point of  
19 entry, with classified solicitations posted to the ap-  
20 propriate government portal.

21 (2) AGENCY PROCEDURES.—The head of an  
22 agency may not award contracts under a test pro-  
23 gram until the agency issues guidance with proce-  
24 dures for use of the authority. The guidance shall be

1 issued in consultation with the relevant Acquisition  
2 Regulatory Council and shall be publicly available.

3 (g) SUNSET.—The authority for a test program  
4 under this section shall terminate on the date that is 5  
5 years after the date the Federal Acquisition Regulation  
6 is revised pursuant to subsection (f)(1) to implement the  
7 program.

8 **SEC. 11. RESEARCH AND DEVELOPMENT PROJECT PILOT**  
9 **PROGRAM.**

10 (a) PILOT PROGRAM.—The head of an agency may,  
11 if desired, carry out research and prototype projects in ac-  
12 cordance with this section.

13 (b) PURPOSE.—A pilot program established under  
14 this section shall provide a means by which an agency  
15 may—

16 (1) carry out basic, applied, and advanced re-  
17 search and development projects; and

18 (2) carry out prototype projects that address—

19 (A) a proof of concept, model, or process,  
20 including a business process;

21 (B) reverse engineering to address obsoles-  
22 cence;

23 (C) a pilot or novel application of commer-  
24 cial technologies for agency mission purposes;

25 (D) agile development activity;

1 (E) the creation, design, development, or  
2 demonstration of operational utility; or

3 (F) any combination of items described in  
4 subparagraphs (A) through (E).

5 (c) CONTRACTING PROCEDURES.—Under a pilot pro-  
6 gram established under this section, the head of an agency  
7 may carry out research and prototype projects—

8 (1) using small businesses to the maximum ex-  
9 tent practicable;

10 (2) using cost sharing arrangements where  
11 practicable;

12 (3) tailoring intellectual property terms and  
13 conditions relevant to the project and commercializa-  
14 tion opportunities; and

15 (4) ensuring that such projects do not duplicate  
16 research being conducted under existing agency pro-  
17 grams.

18 (d) TREATMENT AS COMPETITIVE PROCEDURES.—  
19 The use of research and development contracting proce-  
20 dures under this section shall be considered to be use of  
21 competitive procedures, as defined in section 152 of title  
22 41, United States Code.

23 (e) TREATMENT AS COMMERCIAL TECHNOLOGY.—  
24 The use of research and development contracting proce-

1 dures under this section shall be considered to be use of  
2 commercial technology.

3 (f) FOLLOW-ON PROJECTS OR PHASES.—A follow-on  
4 contract provided for in a contract opportunity announced  
5 under this section may, at the discretion of the head of  
6 the agency, be awarded to a participant in the original  
7 project or phase if the original project or phase was suc-  
8 cessfully completed.

9 (g) LIMITATION.—The head of an agency shall not  
10 enter into a contract under the pilot program for an  
11 amount in excess of \$10,000,000.

12 (h) GUIDANCE.—

13 (1) FEDERAL ACQUISITION REGULATORY COUN-  
14 CIL.—The Federal Acquisition Regulatory Council  
15 shall revise the Federal Acquisition Regulation re-  
16 search and development contracting procedures as  
17 necessary to implement this section, including re-  
18 quirements for each research and development  
19 project under a pilot program to be made publicly  
20 available through a means that provides access to  
21 the notice of the opportunity through the System for  
22 Award Management or subsequent government-wide  
23 point of entry, with classified solicitations posted to  
24 the appropriate government portal.

1           (2) AGENCY PROCEDURES.—The head of an  
2           agency may not award contracts under a pilot pro-  
3           gram until the agency, in consultation with the rel-  
4           evant Acquisition Regulatory Council issues and  
5           makes publicly available guidance on procedures for  
6           use of the authority.

7           (i) REPORTING.—Contract actions entered into under  
8           this section shall be reported to the Federal Procurement  
9           Data System, or any successor system.

10          (j) SUNSET.—The authority for a pilot program  
11          under this section shall terminate on the date that is 5  
12          years from the date the Federal Acquisition Regulation  
13          is revised pursuant to subsection (h)(1) to implement the  
14          program.

15   **SEC. 12. DEVELOPMENT OF TOOLS AND GUIDANCE FOR**  
16                   **TESTING AND EVALUATING ARTIFICIAL IN-**  
17                   **TELLIGENCE.**

18          (a) AGENCY REPORT REQUIREMENTS.—In a manner  
19          specified by the Director, the Chief Artificial Intelligence  
20          Officer shall identify and annually submit to the Council  
21          a report on obstacles encountered in the testing and eval-  
22          uation of artificial intelligence, specifying—

23                (1) the nature of the obstacles;

1           (2) the impact of the obstacles on agency oper-  
2           ations, mission achievement, and artificial intel-  
3           ligence adoption;

4           (3) recommendations for addressing the identi-  
5           fied obstacles, including the need for particular re-  
6           sources or guidance to address certain obstacles; and

7           (4) a timeline that would be needed to imple-  
8           ment proposed solutions.

9           (b) COUNCIL REVIEW AND COLLABORATION.—

10           (1) ANNUAL REVIEW.—Not less frequently than  
11           annually, the Council shall conduct a review of agen-  
12           cy reports under subsection (a) to identify common  
13           challenges and opportunities for cross-agency col-  
14           laboration.

15           (2) DEVELOPMENT OF TOOLS AND GUID-  
16           ANCE.—

17           (A) IN GENERAL.—Not later than 2 years  
18           after the date of enactment of this Act, the Di-  
19           rector, in consultation with the Council, shall  
20           convene a working group to—

21           (i) develop tools and guidance to as-  
22           sist agencies in addressing the obstacles  
23           that agencies identify in the reports under  
24           subsection (a);



1                   (ii) support interagency coordination  
2                   to facilitate the identification and use of  
3                   relevant voluntary standards, guidelines,  
4                   and other consensus-based approaches for  
5                   testing and evaluation and other relevant  
6                   areas; and

7                   (iii) address any additional matters  
8                   determined appropriate by the Director.

9                   (B) WORKING GROUP MEMBERSHIP.—The  
10                  working group described in subparagraph (A)  
11                  shall include Federal interdisciplinary per-  
12                  sonnel, such as technologists, information secu-  
13                  rity and cybersecurity personnel, domain ex-  
14                  perts, privacy officers, data officers, civil rights  
15                  and civil liberties officers, contracting officials,  
16                  legal counsel, customer experience professionals,  
17                  program evaluation officers, and others, as de-  
18                  termined by the Director.

19                  (3) INFORMATION SHARING.—The Director, in  
20                  consultation with the Council, shall establish a  
21                  mechanism for sharing tools and guidance developed  
22                  under paragraph (2) across agencies.

23                  (c) CONGRESSIONAL REPORTING.—

1           (1) IN GENERAL.—Each agency shall submit  
2           the annual report under subsection (a) to relevant  
3           congressional committees.

4           (2) CONSOLIDATED REPORT.—The Director, in  
5           consultation with the Council, may suspend the re-  
6           quirement under paragraph (1) and submit to the  
7           relevant congressional committees a consolidated re-  
8           port that conveys government-wide testing and eval-  
9           uation challenges, recommended solutions, and  
10          progress toward implementing recommendations  
11          from prior reports developed in fulfillment of this  
12          subsection.

13          (d) EXTREMELY LOW RISK ARTIFICIAL INTEL-  
14          LIGENCE USE CASES.—Not later than 2 years after the  
15          date of enactment of this Act, the Chief Artificial Intel-  
16          ligence Officers Council shall submit to the Director and  
17          the relevant congressional committees a report outlining—

18                (1) a proposed framework for identifying ex-  
19                tremely low risk artificial intelligence use cases; and

20                (2) opportunities to facilitate the deployment  
21                and use of extremely low risk artificial intelligence.

22          (e) SUNSET.—The requirements under this section  
23          shall terminate on the date that is 10 years after the date  
24          of enactment of this Act.

1 **SEC. 13. UPDATES TO ARTIFICIAL INTELLIGENCE USE CASE**  
2 **INVENTORIES.**

3 (a) AMENDMENTS.—

4 (1) ADVANCING AMERICAN AI ACT.—The Ad-  
5 vancing American AI Act (Public Law 117–263; 40  
6 U.S.C. 11301 note) is amended—

7 (A) in section 7223(3), by striking the pe-  
8 riod and inserting “and in section 5002 of the  
9 National Artificial Intelligence Initiative Act of  
10 2020 (15 U.S.C. 9401).”; and

11 (B) in section 7225, by striking subsection  
12 (d).

13 (2) EXECUTIVE ORDER 13960.—The provisions  
14 of section 5 of Executive Order 13960 (85 Fed. Reg.  
15 78939; relating to promoting the use of trustworthy  
16 artificial intelligence in Federal Government) that  
17 exempt classified and sensitive use cases from agen-  
18 cy inventories of artificial intelligence use cases shall  
19 cease to have legal effect.

20 (b) DISCLOSURE.—

21 (1) IN GENERAL.—The artificial intelligence in-  
22 ventory of each agency shall publicly disclose, sub-  
23 ject to applicable laws and policies relating to the  
24 protection of privacy and classified and sensitive in-  
25 formation—

1 (A) whether artificial intelligence was de-  
2 veloped internally by the agency or procured ex-  
3 ternally, without excluding any use case on  
4 basis that the use case is “sensitive” solely be-  
5 cause it was externally procured;

6 (B) data provenance information for high  
7 risk artificial intelligence use cases to identify  
8 the types of sources of the training data of the  
9 artificial intelligence, including internal govern-  
10 ment data, public data, commercially held data,  
11 or similar data;

12 (C) the level of risk at which the agency  
13 has classified the artificial intelligence use case  
14 and a brief explanation for how the determina-  
15 tion was made; and

16 (D) the number of artificial intelligence  
17 use cases excluded from public reporting as  
18 being classified or “sensitive”, and an unclassi-  
19 fied summary of each of these use cases.

20 (2) UPDATES.—

21 (A) IN GENERAL.—When an agency up-  
22 dates the public artificial intelligence use case  
23 inventory of the agency, the agency shall dis-  
24 close the date of the modification and make  
25 change logs publicly available and accessible.

1                   (B) GUIDANCE.—The Director shall issue  
2                   guidance to agencies that describes how to ap-  
3                   propriately update artificial intelligence use case  
4                   inventories and clarifies how sub-agencies and  
5                   regulatory agencies should participate in the ar-  
6                   tificial intelligence use case inventorying proc-  
7                   ess.

8                   (c) CONGRESSIONAL REPORTING.—The head of each  
9                   agency shall, upon request, submit to the relevant congres-  
10                  sional committees a copy of the annual artificial intel-  
11                  ligence use case inventory of the agency, including—

12                  (1) the use cases that have been identified as  
13                  “sensitive” and not for public disclosure; and

14                  (2) a classified annex of classified use cases.

15                  (d) COMPTROLLER GENERAL.—

16                  (1) REPORTS REQUIRED.—

17                         (A) APPROPRIATE CLASSIFICATION.—Not  
18                         later than 1 year after the date of enactment of  
19                         this Act, and annually thereafter for a period of  
20                         5 years, the Comptroller General of the United  
21                         States shall submit to relevant congressional  
22                         committees a report on whether agencies are  
23                         appropriately classifying use cases.

24                         (B) GOVERNMENT TRENDS.—Beginning 2  
25                         years after the date of enactment of this Act,

1 and annually thereafter, the Comptroller Gen-  
2 eral of the United States, shall issue a report,  
3 based on the artificial intelligence use cases re-  
4 ported in use case inventories and other rel-  
5 evant information, that describes trends in the  
6 use of artificial intelligence by agencies and the  
7 impact of—

8 (i) such use on the Federal workforce  
9 and any cost savings; and

10 (ii) this Act on Federal contractors  
11 that are small business concerns, includ-  
12 ing—

13 (I) small business concerns  
14 owned and controlled by service-dis-  
15 abled veterans (as defined in section 3  
16 of the Small Business Act (15 U.S.C.  
17 632));

18 (II) qualified HUBZone small  
19 business concerns (as defined in sec-  
20 tion 31(b) of the Small Business Act  
21 (15 U.S.C. 657(b)(1)));

22 (III) socially and economically  
23 disadvantaged small business concerns  
24 (as defined in section 8(a)(4) of the

1                   Small Business Act (15 U.S.C.  
2                   637(a)(4)), and  
3                   (IV) small business concerns  
4                   owned and controlled by women (as  
5                   defined in section 3 of the Small Busi-  
6                   ness Act (15 U.S.C. 632)).

7                   (2) APPROPRIATE CLASSIFICATION.—The  
8                   Comptroller General of the United States shall de-  
9                   termine whether the appropriate level of disclosure  
10                  of artificial intelligence use cases by agencies should  
11                  be included on the High Risk List of the Govern-  
12                  ment Accountability Office.