HB 4103 A   STAFF MEASURE SUMMARY

Joint Committee On Information Management and Technology

Action Date:	02/20/26
Action:	Do pass with amendments and be referred to Ways and Means by prior reference. (Printed A-Eng.)
House Vote	
Yeas:	3 - Edwards, Nathanson, Nguyen D
Senate Vote	
Yeas:	2 - Meek, Pham
Exc:	1 - Drazan
Fiscal:	Fiscal impact issued
Revenue:	No revenue impact
Prepared By:	Sean McSpaden, Committee Coordinator
Meeting Dates:	2/6, 2/20

WHAT THE MEASURE DOES:

HB 4103 establishes the Senator Aaron Woods Commission on Artificial Intelligence within the office of Enterprise Information Services to identify and report on long-term policy implications and the risks and benefits associated with state government use of artificial intelligence technologies. The measure directs the commission to submit an annual report to the Legislative Assembly which may include recommendations for legislation, regulations, or policies. The measure directs the Oregon Department of Administrative Services to hire an individual responsible for developing the strategic vision for the state related to privacy, data protection and artificial intelligence to assist the commission in carrying out the commission's duties. The measure provides a General Fund appropriation to the department of a yet to be determined amount, which may be used to hire additional full-time employees to enable the individual employed by the department to carry out specific duties described within the measure.

Fiscal impact: *Fiscal Impact Statement issued.*

Revenue impact: *No revenue impact.*

Operative Date: January 1 of the year after the passage of the act.

Detailed Summary
- Establishes a sixteen (16) member Senator Aaron Woods Commission on Artificial Intelligence within the office of Enterprise Information Services, consisting of ten (10) voting and six (6) nonvoting members.
- Directs the commission to identify and report on long-term policy implications in the use artificial intelligence technologies in Oregon state government. The commission shall (among other duties):
  - Conduct a literature review of public policy issues related to the use of artificial intelligence technologies by state government;
  - Conduct a review of existing protections under federal and state laws related to individuals' data and privacy rights, civil rights, intellectual property rights and safety;
  - Conduct reviews of how federal and state laws that apply to artificial intelligence technologies align, differ, conflict or interact;
  - Provide recommendations on the use of artificial intelligence by the state;
  - Identify uses of artificial intelligence systems by the state that present or create a high risk to individuals and their safety, or their employment, civil, or constitutional rights;
  - Conduct a review of issues related to bias and unlawful discrimination from the use of artificial intelligence systems by the state and provide recommendations for mitigating or protecting against such

discrimination;
- o   Identify impacts and opportunities and recommend policies related to state use of artificial intelligence systems on public sector jobs and incomes;
- o   Provide recommendations on prioritizing transparency to improve the understanding of the behavior and functional components of artificial intelligence systems used by the state and enable the identification of performance issues, safety and privacy concerns, biases, exclusionary practices and unintended outcomes;
- o   Conduct a review of legal and contractual protections for individual personhood, including individuals employed by the state, against the use of artificial intelligence systems to create an artificial replica, including an artificial replica of a person's voice, image or likeness;
- o   Conduct a review on the use of artificial intelligence systems by the state to support or make decisions around employment; and
- o   Meet once every three months and submit an annual report to the Legislative Assembly on or before September 1 of each year. The report may include recommendations for legislation, regulations or policies related to the commission's reviews and findings.
- Allows the commission to establish one or more advisory subcommittees to advise the commission in an area impacted by artificial intelligence technologies used by the state.
- Directs the agencies of state government to assist the commission in the performance of its duties.
- Directs the Oregon Department of Administrative Services to employ, at the appointment of the State Chief Information Officer, an individual responsible for developing the strategic vision for the state relating to privacy, data protection and artificial intelligence. This individual shall assist and advise, and provide policy, resources, and staff support to the commission.
- Allows the Oregon Department of Administrative Services to charge a fee to a state agency, officer, board or commission for the cost incurred by the department or the commission in providing requested services related to artificial intelligence systems.
- Provides a General Fund appropriation to the Oregon Department of Administrative Services of a yet to be determined amount, which may be used to hire additional full-time employees to enable the individual employed by the department to carry out the individual's duties.

ISSUES DISCUSSED:
- Risks and benefits, and the potential perils and the promise of the use of artificial intelligence.
- Rapid advances in artificial intelligence technologies. Dramatic acceleration of the use of artificial intelligence in all sectors.
- Need to establish guardrails, and to govern and responsibly oversee the use of artificial intelligence (AI) on an ongoing basis moving forward.
- Discussion of the substantial changes within the proposed amendment to the measure.
- Questions regarding the need for a permanent commission vs addressing this important topic (now focused internally on the use of AI in state government) through a standing legislative committee or via a time and scope limited task force, advisory council, or working group.
- Recommendation for additional member (s) on the commission from Oregon's disability community.
- Final action plan and recommendations submitted to Governor Kotek by the State Government AI Advisory Council in early 2025.
- Applied AI education and degree programs at Oregon's public institutions of higher learning.
- Desire for future expansion of the commission's scope of duties beyond a limited focus on the use of artificial intelligence technologies and systems in state government.

EFFECT OF AMENDMENT:
The amendment would substantially modify the purpose, duties, and size and structure of the commission on artificial intelligence proposed within the measure. The amendment would limit the focus of the commission's responsibilities to analysis of long-term policy implications of artificial intelligence technologies used internally by Oregon state government, review of benefits and risks of state government use of artificial intelligence technologies, and evaluation of impacts on historically disadvantaged communities, workforce, civil rights,

privacy, and safety.

The amendment would require the commission to identify uses of artificial intelligence systems by the state that present or create a high risk, conduct literature and policy reviews, assess alignment or conflict between federal and state artificial intelligence laws, and develop recommendations regarding state use of artificial intelligence to support or make decisions regarding employment and the mitigation of potentially discriminatory outcomes.

The amendment would: direct the Oregon Department of Administrative Services to employ, at the appointment of the State Chief Information Officer, a strategic artificial intelligence, data protection and privacy official to support the commission's work; authorize the department to charge fees for services provided to state agencies; and, provide a General Fund appropriation of a yet to be determined amount to the department for staffing and administrative support.

BACKGROUND:

Governor Kotek issued Executive Order 23-26 in November 2023 establishing a fifteen (15) member State Government Artificial Intelligence Advisory Council to recommend an action plan to guide awareness, education, and usage of artificial intelligence in state government. The State Government Artificial Intelligence Advisory Council met nine (9) times between March 2024 and February 2025 and delivered the final recommended action plan to Governor Kotek on February 11, 2025.

During the 2024 legislative session, House Bill 4153 relating to artificial intelligence was passed and signed into law. House Bill 4153 (2024) established a fourteen (14) member Task Force on Artificial Intelligence to examine and identify terms and definitions related to artificial intelligence that may be used for legislation and report its findings and recommendations to the Joint Legislative Committee on Information Management and Technology by December 2024. The Task Force presented its final report and recommendations to the Joint Legislative Committee on Information Management and Technology on December 11, 2024, and reached its planned sunset on January 1, 2025.

During the 2025 legislative session, House Bill 3592 relating to artificial intelligence was introduced and assigned to the Joint Legislative Committee on Information Management and Technology. In June 2025, the measure was voted out of the committee, "[w]ithout recommendation as to passage, with amendments, be printed A-Engrossed, and be referred to Ways and Means by prior reference." The measure remained in the Joint Committee on Ways and Means upon adjournment.