

Companies increasingly use AI-driven decision systems to make crucial decisions that alter the course of Coloradans' lives and careers, often without their knowledge, despite ample evidence that many such systems are <u>deeply biased</u> and <u>flawed</u>. Colorado Senate Bill 24-205 represents a welcome step toward much-needed transparency and accountability for such systems. However, more is needed to protect Colorado's consumers and workers.

The undersigned labor, consumer, civil rights, privacy, and other public interest groups urge policymakers to maintain and strengthen the law's protections. It's also critical that the law builds on—and does not undermine—existing civil rights and consumer protections under Colorado law.

We urge policymakers to retain the bill's strongest existing provisions, including:

- Broad definition of covered systems, making it harder for companies to evade the law;
- Notice to consumers subjected to AI-driven decisions about the use and purpose of the system;

- Impact assessments that test AI decision systems for discrimination risks and document the AI decision system's purpose, intended uses, data used and produced, performance, and post-deployment monitoring;
- A **right to an explanation** of the principal reasons behind decisions and **a right to appeal** such decisions to a human decision-maker; and
- Giving the Attorney General authority to issue rules interpreting and clarifying the law.

Policymakers should also strengthen the law and further protect Coloradans by:

- **Building on existing civil rights protections** by prohibiting the sale or use of discriminatory Al decision systems;
- Expanding the law's transparency provisions so that consumers understand why companies are using AI decision systems and what and how these tools measure, including requiring explanations to be <u>actionable</u>;
- Strengthening impact assessment provisions to require companies to test AI decision systems for validity and the risk that they violate consumer protection, labor, civil rights, and other laws;
- Eliminating the many loopholes that exclude numerous consumers, workers, and companies from the law's protections and obligations, as well as **unnecessary and overbroad rebuttable presumptions and affirmative defenses** that allow companies to escape accountability; and
- **Strengthening enforcement** by giving consumers and local district attorneys the right to seek redress in court when companies fail to comply with the law.

Colorado has an opportunity to lead the nation with innovative policy that places common-sense guardrails on the development and use of AI and automated decision-making systems. We are pleased to see Colorado taking steps toward careful AI regulation, but with other states looking to Colorado's law as a model for their own AI laws, it is essential that stakeholder collaboration continues. We are eager to continue working with lawmakers to craft AI legislation that both protects the rights and privacy of Colorado residents and encourages technological innovation.

Signed: ACLU of Colorado AFT-Colorado Colorado AFL-CIO Colorado Fiscal Institute Teamsters Local 455 Towards Justice

American Association of People with Disabilities Center for American Progress Center for Democracy & Technology Consumer Federation of America Consumer Reports Electronic Privacy Information Center Tech Equity Action