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**HOUSE BILL 1942**

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**State of Washington**

**69th Legislature**

**2025 Regular Session**

**By** Representatives Keaton, Barnard, Salahuddin, and Volz

Read first time 02/11/25. Referred to Committee on Technology, Economic Development, & Veterans.

1 AN ACT Relating to promoting the economic development of  
2 innovative uses of artificial intelligence; amending 2024 c 163 s 2  
3 (uncodified); adding a new section to chapter 43.330 RCW; creating  
4 new sections; and providing expiration dates.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** The legislature recognizes that fostering  
7 technological innovation is essential for Washington state's economic  
8 growth and long-term competitiveness. By investing in emerging  
9 technologies, including artificial intelligence, the state can access  
10 new sources of revenue, create high paying jobs, and position itself  
11 as a national leader in cutting-edge industries. Artificial  
12 intelligence-driven solutions have the potential to address critical  
13 statewide challenges, such as predicting and managing wildfires,  
14 improving the effectiveness of cybersecurity, and improving public  
15 health responses. Promoting the development of these technologies  
16 will not only strengthen Washington's economy, but also enhance  
17 public safety and government efficiency.

18 Therefore, the legislature intends to promote the economic  
19 development of innovative uses of artificial intelligence by  
20 supporting organizations that create transformative new technologies.  
21 By encouraging innovation, this act will drive economic expansion,

1 advance broad public benefits, attract private investment, ensure  
2 that Washington remains at the forefront of technological progress,  
3 and equip the state with cutting-edge tools to address its most  
4 pressing challenges.

5 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.330  
6 RCW to read as follows:

7 (1) Subject to the availability of amounts appropriated for this  
8 specific purpose, the department shall promote the economic  
9 development of innovative uses of artificial intelligence.

10 (2) The department shall solicit input from the artificial  
11 intelligence task force, created in chapter 163, Laws of 2024, no  
12 less than once per quarter through June 30, 2027, to identify state  
13 priorities to further the economic development of technology that  
14 will provide a state benefit, such as wildfire tracking,  
15 cybersecurity, or health care advancements.

16 (3) The department shall pursue all available opportunities for  
17 federal funding and solicit private donations to support small  
18 businesses in the development of innovative uses of artificial  
19 intelligence.

20 (4) The department shall identify relevant federal grants related  
21 to the economic development of innovative uses of artificial  
22 intelligence in its inventory of grant opportunities required by RCW  
23 43.330.260.

24 (5) Beginning October 31, 2026, the department shall report on  
25 the economic development of innovative uses of artificial  
26 intelligence in the state in accordance with RCW 43.01.036. The  
27 report must be updated every two years, posted on the department's  
28 website, and transmitted to the governor and the legislature. The  
29 report must identify the state priorities identified during the  
30 reporting period, the number of federal grants identified during the  
31 reporting period, the number and amount of federal grants and private  
32 donations obtained during the reporting period, and recommended  
33 legislation to promote the economic development of innovative uses of  
34 artificial intelligence in the state.

35 (6) For the purposes of this section, "artificial intelligence"  
36 means the use of machine learning and related technologies that use  
37 data to train statistical models for the purpose of enabling computer  
38 systems to perform tasks normally associated with human intelligence

1 or perception, such as computer vision, speech or natural language  
2 processing, and content generation.

3 (7) This section expires June 30, 2035.

4 NEW SECTION. **Sec. 3.** (1)(a) Subject to the availability of  
5 amounts appropriated for this specific purpose, the Washington state  
6 institute for public policy shall study and report on the  
7 opportunities to promote the economic development of innovative uses  
8 of artificial intelligence in the state.

9 (b) The goal of the study and report is to identify emerging  
10 technologies and uses of artificial intelligence that will provide  
11 benefits to the state, such as wildfire tracking, cybersecurity, or  
12 health care advancements.

13 (2) The report must be submitted to the appropriate committees of  
14 the legislature in accordance with RCW 43.01.036 by June 30, 2027.

15 (3) The artificial intelligence task force and Washington  
16 technology solutions shall provide resources and data to assist the  
17 Washington state institute for public policy to conduct this study.

18 (4) This section expires December 31, 2027.

19 NEW SECTION. **Sec. 4.** Section 2 of this act may be known and  
20 cited as the spark act.

21 **Sec. 5.** 2024 c 163 s 2 (uncodified) is amended to read as  
22 follows:

23 (1) Subject to the availability of amounts appropriated for this  
24 specific purpose, a task force to assess current uses and trends and  
25 make recommendations to the legislature regarding guidelines and  
26 potential legislation for the use of artificial intelligence systems  
27 is established.

28 (2) The task force is composed of an executive committee  
29 consisting of members as provided in this subsection.

30 (a) The president of the senate shall appoint one member from  
31 each of the two largest caucuses of the senate.

32 (b) The speaker of the house of representatives shall appoint one  
33 member from each of the two largest caucuses of the house of  
34 representatives.

35 (c) The attorney general shall appoint the following members,  
36 selecting only individuals with experience in technology policy:

37 (i) One member from the office of the governor;

- 1 (ii) One member from the office of the attorney general;  
2 (iii) One member from Washington technology solutions;  
3 (iv) One member from the Washington state auditor;  
4 (v) One member representing universities or research institutions  
5 that are experts in the design and effect of an algorithmic system;  
6 (vi) One member representing private technology industry groups;  
7 (vii) One member representing business associations;  
8 (viii) Three members representing community advocate  
9 organizations that represent communities that are disproportionately  
10 vulnerable to being harmed by algorithmic bias;  
11 (ix) One member representing the LGBTQ+ community;  
12 (x) One member representing the retail industry;  
13 (xi) One member representing the hospitality industry;  
14 (xii) One member representing statewide labor organizations; and  
15 (xiii) One member representing public safety.

16 (d) The task force may meet in person or by telephone conference  
17 call, videoconference, or other similar telecommunications method, or  
18 a combination of such methods.

19 (e) The executive committee may convene subcommittees to advise  
20 the task force on the recommendations and findings set out in  
21 subsection (4) of this section.

22 (i) The executive committee shall define the scope of activity  
23 and subject matter focus required of the subcommittees including, but  
24 not limited to: Education and workforce development; public safety  
25 and ethics; health care and accessibility; labor; government and  
26 public sector efficiency; state security and cybersecurity; consumer  
27 protection and privacy; and industry and innovation.

28 (ii) Subcommittees and their members may be invited to  
29 participate on an ongoing, recurring, or one-time basis.

30 (iii) The executive committee in collaboration with the attorney  
31 general shall appoint members to the subcommittees that must be  
32 comprised of industry participants, subject matter experts,  
33 representatives of federally recognized tribes, or other relevant  
34 stakeholders.

35 (iv) Each subcommittee must contain at least one member  
36 possessing relevant industry expertise and at least one member from  
37 an advocacy organization that represents communities that are  
38 disproportionately vulnerable to being harmed by algorithmic bias  
39 including, but not limited to: African American; Hispanic American;  
40 Native American; Asian American; Native Hawaiian and Pacific Islander

1 communities; religious minorities; individuals with disabilities; and  
2 other vulnerable communities.

3 (v) Meeting summaries and reports delivered by the subcommittees  
4 to the executive committee must be made available on the attorney  
5 general's website within 30 days of delivery.

6 (vi) The executive committee shall identify and direct the  
7 appropriate subcommittee to provide input, no less than once per  
8 quarter, to assist the department of commerce in the identification  
9 of state priorities to form the basis of the spark act that will  
10 promote the economic development of innovative uses of artificial  
11 intelligence that will provide a state benefit, pursuant to section 2  
12 of this act.

13 (vii) The executive committee shall identify and direct the  
14 appropriate subcommittees to provide support and assistance to the  
15 Washington state institute for public policy for its study and report  
16 on the opportunities to promote the economic development of  
17 innovative uses of artificial intelligence in the state pursuant to  
18 section 3 of this act.

19 (3) The office of the attorney general must administer and  
20 provide staff support for the task force. The office of the attorney  
21 general may, when deemed necessary by the task force, retain  
22 consultants to provide data analysis, research, recommendations,  
23 training, and other services to the task force for the purposes  
24 provided in subsection (4) of this section. The office of the  
25 attorney general may work with the task force to determine  
26 appropriate subcommittees as needed.

27 (4) The executive committee and subcommittees of the task force  
28 shall examine the development and use of artificial intelligence by  
29 private and public sector entities and make recommendations to the  
30 legislature regarding guidelines and potential legislation for the  
31 use and regulation of artificial intelligence systems to protect  
32 Washingtonians' safety, privacy, and civil and intellectual property  
33 rights. The task force findings and recommendations must include:

34 (a) A literature review of public policy issues with artificial  
35 intelligence, including benefits and risks to the public broadly,  
36 historically excluded communities, and other identifiable groups,  
37 racial equity considerations, workforce impacts, and ethical  
38 concerns;

39 (b) A review of existing protections under state and federal law  
40 for individual data and privacy rights, safety, civil rights, and

1 intellectual property rights, and how federal, state, and local laws  
2 relating to artificial intelligence align, differ, conflict, and  
3 interact across levels of government;

4 (c) A recommended set of guiding principles for artificial  
5 intelligence use informed by standards established by relevant  
6 bodies, including recommending a definition for ethical artificial  
7 intelligence and guiding principles;

8 (d) Identification of high-risk uses of artificial intelligence,  
9 including those that may negatively affect safety or fundamental  
10 rights;

11 (e) Opportunities to support and promote the innovation of  
12 artificial intelligence technologies through grants and incentives;

13 (f) Recommendations on appropriate uses of and limitations on the  
14 use of artificial intelligence by state and local governments and the  
15 private sector;

16 (g) Recommendations relating to the appropriate and legal use of  
17 training data;

18 (h) Algorithmic discrimination issues which may occur when  
19 artificial intelligence systems are used and contribute to  
20 unjustified differential treatment or impacts disfavoring people on  
21 the basis of race, color, national origin, citizen or immigration  
22 status, families with children, creed, religious belief or  
23 affiliation, sex, marital status, the presence of any sensory,  
24 mental, or physical disability, age, honorably discharged veteran or  
25 military status, sexual orientation, gender expression or gender  
26 identity, or any other protected class under RCW 49.60.010 and  
27 recommendations to mitigate and protect against algorithmic  
28 discrimination;

29 (i) Recommendations on minimizing unlawful discriminatory or  
30 biased outputs or applications;

31 (j) Recommendations on prioritizing transparency so that the  
32 behavior and functional components artificial intelligence can be  
33 understood in order to enable the identification of performance  
34 issues, safety and privacy concerns, biases, exclusionary practices,  
35 and unintended outcomes;

36 (k) Racial equity issues posed by artificial intelligence systems  
37 and ways to mitigate the concerns to build equity into the systems;

38 (l) Civil liberties issues posed by artificial intelligence  
39 systems and civil rights and civil liberties protections to be  
40 incorporated into artificial intelligence systems;

1 (m) Recommendations as to how the state should educate the public  
2 on the development and use of artificial intelligence, including  
3 information about data privacy and security, data collection and  
4 retention practices, use of individual data in machine learning, and  
5 intellectual property considerations regarding generative artificial  
6 intelligence;

7 (n) A review of protections of personhood, including replicas of  
8 voice or likeness, in typical contract structures, and a review of  
9 artificial intelligence tools used to support employment decisions;

10 (o) Proposed state guidelines for the use of artificial  
11 intelligence to inform the development, deployment, and use of  
12 artificial intelligence systems to:

13 (i) Retain appropriate human agency and oversight;

14 (ii) Be subject to internal and external security testing of  
15 systems before public release for high-risk artificial intelligence  
16 systems;

17 (iii) Protect data privacy and security;

18 (iv) Promote appropriate transparency for consumers when they  
19 interact with artificial intelligence systems or products created by  
20 artificial intelligence; and

21 (v) Ensure accountability, considering oversight, impact  
22 assessment, auditability, and due diligence mechanisms;

23 (p) A review of existing civil and criminal remedies for  
24 addressing potential harms resulting from the use of artificial  
25 intelligence systems and recommendations, if needed, for new means of  
26 enforcement and remedies; and

27 (q) Recommendations for establishing an ongoing committee that  
28 must study emerging technologies not limited to artificial  
29 technology.

30 (5) The executive committee of the task force must hold its first  
31 meeting within 45 days of final appointments to the task force and  
32 must meet at least twice each year thereafter. The task force must  
33 submit reports to the governor and the appropriate committees of the  
34 legislature detailing its findings and recommendations. A preliminary  
35 report must be delivered by December 31, 2024, an interim report by  
36 December 1, 2025, and a final report by July 1, 2026. Meeting  
37 summaries must be posted to the website of the attorney general's  
38 office within 30 days of any meeting by the task force.

39 (6) Legislative members of the task force shall be reimbursed for  
40 travel expenses in accordance with RCW 44.04.120. Nonlegislative

1 members are not entitled to be reimbursed for travel expenses if they  
2 are elected officials or are participating on behalf of an employer,  
3 governmental entity, or other organization. Any reimbursement for  
4 other nonlegislative members is subject to chapter 43.03 RCW.

5 (7) To ensure that the task force has diverse and inclusive  
6 representation of those affected by its work, task force members,  
7 including subcommittee members, whose participation in the task force  
8 may be hampered by financial hardship and may be compensated as  
9 provided in RCW 43.03.220.

10 (8) The definitions in this subsection apply throughout this  
11 section unless the context clearly requires otherwise.

12 (a) "Artificial intelligence" means the use of machine learning  
13 and related technologies that use data to train statistical models  
14 for the purpose of enabling computer systems to perform tasks  
15 normally associated with human intelligence or perception, such as  
16 computer vision, speech or natural language processing, and content  
17 generation.

18 (b) "Generative artificial intelligence" means an artificial  
19 intelligence system that generates novel data or content based on a  
20 foundation model.

21 (c) "Machine learning" means the process by which artificial  
22 intelligence is developed using data and algorithms to draw  
23 inferences therefrom to automatically adapt or improve its accuracy  
24 without explicit programming.

25 (d) "Training data" means labeled data that is used to teach  
26 artificial intelligence models or machine learning algorithms to make  
27 proper decisions. Training data may include, but is not limited to,  
28 annotated text, images, video, or audio.

29 (9) This section expires June 30, 2027.

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