Subject: Establishment of the Arkansas AI and Analytics Center of Excellence (Center of Excellence)

Issue: Artificial Intelligence (AI) technologies are rapidly advancing, and their integration into various sectors holds significant potential for economic growth and improved public services. The responsible and ethical use of AI requires careful consideration of its potential impacts on privacy, security, transparency, and accountability. Without clear guidance, there is a risk of unintended consequences and adverse effects on the well-being of Arkansans.

Proposed Solution: Establish the Arkansas AI Center of Excellence to study, assess, and provide recommendations for policies, guidelines, and best practices for the ethical and effective use of AI across Arkansas state government.

ARKANSAS AI CENTER OF EXCELLENCE

AI holds the potential for tremendous benefits to the State of Arkansas as a tool for increasing the productivity of our workforce, reducing fraud and waste, supporting policy and practice with timely information, and providing more personalized and efficient citizen service. To effectively realize these benefits, the state should establish AI governance capabilities, explore high value use cases, and consider the impact of AI on the state workforce and broader Arkansas labor market to ensure economic competitiveness.

The Center of Excellence would establish clear guidelines for the use of AI by Arkansas state government. Additionally, the Center of Excellence would review and evaluate a set of pilot projects to create further learnings and aid in increased adoption of the technology—going well beyond recent tech applications such as ChatGPT.

Arkansas has become a national leader in data literacy and analytic efforts. This Center of Excellence will help to foster those training efforts and allow Arkansas to secure grant funding offered by the Federal Government designed to spur economic growth and improved workforce efforts.

Privacy and Security: With any new data technology, privacy and security is a key concern. With the State's Chief Privacy Officer and Chief Information Security Officer appointed to the Center of Excellence, each of these critical areas will be carefully reviewed to ensure Arkansas balances the responsible use and growth of AI while continuing to protect the personal data of all Arkansans.

To establish a Center of Excellence, a sub-committee of the Arkansas Data and Transparency Panel shall be convened with the following proposed membership:

- Arkansas Chief Data Officer (Chair) or designee
- Arkansas Chief Privacy Officer or designee
- Arkansas Chief Security Officer or designee
- Arkansas Chief Technology Officer or designee
- *Arkansas Chief Workforce Officer or designee**
- Arkansas Attorney General or designee
- Secretary or designee of the Arkansas Department of Inspector General
- *Secretary or designee of the Arkansas Department of Corrections**
- Secretary or designee of the Arkansas Department of Health
- Secretary or designee of the Arkansas Department of Transformation and Shared Services
- *Arkansas Revenue Commissioner or designee**

- A member of the Arkansas Senate
- A member of the Arkansas House of Representatives
- A representative from Arkansas' Law Enforcement Community
- Two (2) Professors of Data/Information Science from Arkansas Institutions of Higher Education
- Two (2) Members from the Arkansas business community with expertise in Artificial Intelligence

Center of Excellence and Continuous Improvement: The Arkansas AI Center of Excellence will be tasked with developing comprehensive guidelines that encompass the following initial considerations:

- Accountability (Trust & Accuracy)
- Appropriate Data Sets
- Autonomy
- Bias
- Ethical Use
- Intellectual Property Ownership
- Privacy and Security
- Transparency

Beyond the initial guideline development, a major differentiator for this Center of Excellence is its mission to approve, develop, and evaluate pilot use cases for AI technology. The Center of Excellence will engage with various user groups across the state to review, learn, and improve overall AI and machine learning use and development within the State of Arkansas. This will create a valuable feedback loop allowing the Center of Excellence and the Office of the Chief Data Officer (ARData) to continue to publish new approved uses and standards surrounding those uses.

The following three projects have been identified as initial AI use cases for development and evaluation by the proposed Arkansas AI Center of Excellence. All three projects are supported by essential components such as data availability, demonstrable value, alignment with state priorities, stakeholder buy-in, and secured funding.

1. Unemployment Insurance Fraud (Division of Workforce Services)
2. Recidivism Reduction (Arkansas Department of Corrections)
3. State Workforce Platform - RIPL DOORS (Governor's Workforce Cabinet)

Timeline & Deliverables: The AI Center of Excellence sub-committee shall continue to exist for a period of one (1) year from the date of establishment, unless extended or terminated by the Governor. Meetings shall be monthly.

By December 15, 2023, an initial report will be issued including standards for use, guidelines, security and privacy measures, and recommendations for future AI and machine learning use in Arkansas.

Quarterly reports will be provided on the progress of pilot use cases and proof-of-concept projects conducted in Arkansas, with a focus on identified efficiencies, costs savings, and economic development, where appropriate.

Key Takeaway: The establishment of the Arkansas AI Center of Excellence will ensure that AI technologies are harnessed responsibly and ethically, fostering innovation, economic growth, and improved public services while safeguarding the well-being and interests of Arkansas citizens.