General Law Committee
JOINT FAVORABLE REPORT

Bill No: SB-86 / Bill Status / Public Hearing Testimony
Title: AN ACT ADDRESSING INNOVATIONS IN AND THE RESPONSIBLE USE OF ARTIFICIAL INTELLIGENCE.
Vote Date: 3/16/2026
Vote Action: Joint Favorable Substitute
PH Date: 3/4/2026
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SPONSORS OF BILL

Governor Lamont

REASONS FOR BILL

Governor Lamont's proposal intends to support innovation with respect to the development of artificial intelligence (AI) technologies within Connecticut. His written testimony, along with written testimony from DECD Commissioner Dan O'Keefe, details the bill's provisions and their associated rationale.

SUBSTITUTE LANGUAGE

The substitute language (LCO 3192) makes minor changes to the underlying bill.

RESPONSE FROM ADMINISTRATION/AGENCY

Governor Ned Lamont provided written testimony in support of SB 86. He writes that this proposal intends to balance innovation and safety with respect to the development of AI technologies. Governor Lamont argues that expansion of the state's Open Data Portal could assist those looking to train AI and other machine learning systems, and he writes that existing data protections would still apply. The testimony characterizes the bill's proposed AI regulatory sandbox as a way to "make Connecticut the most attractive state in the region for AI development in targeted industries like insurance, finance, and health services." Governor Lamont testifies that the bill's provisions regarding AI chatbots address the risks related to this technology by enacting safety protocols, including enhanced measures for minors. He urges the committee to support the bill.

Department of Economic and Community Development (DECD)--Dan O'Keefe, Commissioner provided both written and spoken testimony in support of SB 86. He argues that the bill aligns with DECD's mission to increase the state's economic competitiveness by preparing Connecticut for technological advancement. DECD outlines the bill's provisions and their accompanying rationale:

- Section 1 intends to increase the state's attractiveness to businesses by increasing data set availability for AI developers. It directs the Chief Data Officer and state agency data officers to publish datasets that could be useful, and it requires them to develop policies and procedures that ensure data privacy.
- Section 2 aims to attract innovators to Connecticut by establishing an Artificial Intelligence Regulatory Sandbox Program. Participants would be allowed to temporarily test products or services under a relaxed regulatory framework.
- Section 3 intends to enhance safety provisions regarding AI chatbots. It requires developers to institute protocols that recognize when a user is in distress and to refer them to crisis services. The provisions include a requirement that chatbots give periodic reminders that they are not real people.

Office of Policy and Management (OPM)–Scott Gaul, Chief Data Officer testified in writing and at the public hearing in support of SB 86. His comments focused on the provisions in Section 1 requiring the release of new data sets. Gaul testifies that this work is already in progress, as the state has pursued open data measures since 2014. He states that the legislation's focus is on developing consistent data quality and privacy procedures.

Commission on Women, Children, Seniors, Equity & Opportunity (CWCSEO)--Melvette Hill, Executive Director offered written testimony in support of SB 86. CWCSEO commends the bill's data governance, economic development, and consumer protection measures. In particular, they note that chatbot protections are an important public health measure, as young people and vulnerable populations are frequent users of chatbot technology.

Judicial Branch–External Affairs Division provided written commentary requesting an amendment to the language that would require the Chief Data Officer to obtain permission from the Judicial Branch before publishing or using any Branch data. (Full language included in written testimony.)

NATURE AND SOURCES OF SUPPORT

Connecticut Hospital Association (CHA)
Middlesex Health–Vincent Capece, President and CEO
These organizations submitted largely identical testimony in support of SB 86. They emphasize AI's potential to improve healthcare must be balanced with thoughtful management of people's personal data, and they argue that SB 86 strikes that balance. The testimony explains that AI is already in use in healthcare, and it also has great potential to improve care in the future. They express appreciation for provisions that release new data while ensuring that appropriate privacy and security controls are in place.

Yale New Haven Health (YNHHS)–Paul Mounds, Jr., Vice President, Community, Corporate, and Government Relations–YNHHS's testimony makes the same central points in support of the bill as the testimony from CHA and Middlesex Health. It elaborates on those points by listing broad potential applications of Sections 1 and 2 within a healthcare context.

Center for Youth Leadership, Brien McMahon High School–Sue Guevara, Executive Committee Member testified in support of SB 86, with her comments focusing on chatbot protections. She explains that some middle and high school students are already turning to these chatbots for more than just practical advice; they are attempting to use bots as friends, counselors, therapists, or love interests. Guevara testifies that in response, the Center has developed a new workshop for students, with the goal of helping them learn to interact with the technology safely. She encourages the committee to include additional language modeled after protections under consideration in Washington State–these provisions would prohibit chatbots from using "manipulative engagement techniques" to extend a minor's use of a product. (Full language included in written testimony.)

GENERAL COMMENTS

Connecticut Voices for Children (CT Voices), Carmen Clarkin, Special Initiatives Assistant and Emily Knox testified in writing and at the public hearing. They express support for the bill's intent, but they write, "While we think there are components of S. B. 86: An Act Addressing Innovations in and the Responsible Use of Artificial Intelligence that could be helpful, as a standalone bill it is wholly insufficient to address the moment and needs of Connecticut's children and families." They suggest a series of improvements to the AI chatbot protections, including expanding enforcement options to include a private right of action. CT Voices argues that independent oversight or third-party auditing requirements are needed in order to ensure that safety measures are implemented as intended.

CSEA SEIU Local 2001–Jan Lawrence, President, P-4 Council testified to express concerns that SB 86's protections for workers and consumers do not go far enough. She writes, "Without strong guardrails, AI systems can automate discrimination, intensify workplace surveillance, erode job quality, and shift power even further away from working people." Lawrence stresses the need for stronger worker protections and for guardrails regarding the use of AI-powered workplace surveillance. She argues that the bill's enforcement provisions are not strong enough. Overall, CSEA urges the committee to strengthen the bill's transparency and accountability measures while incorporating worker voice into AI deployment processes.

4Cs SEIU 1973–Seth Freeman, President submitted written testimony stating that SB 86 "raises major concerns." He expresses concern that the bill seeks to speed up deployment of AI technology at the expense of worker protections. He urges the committee to "substantially revise" the bill.

AFSCME Council 4–Zak Leavy, Deputy Director testified to comment on SB 86, expressing concern that it "does not meaningfully address concerns about the use of artificial intelligence in the workplace or in public services." Leavy argues that the anti-discrimination provisions in Section 1 give too much leeway to the Chief Data Officer and agency data officers. He states that the section should include provisions aimed at preventing discriminatory outcomes. Leavy also cautions against the creation of a regulatory sandbox, warning that the removal of guardrails could cause real harm. He urges the committee to include a private right of action in the chatbot section, arguing that it is key to its enforceability.

Connecticut Council on Freedom of Information–David DesRoches, Member testified to provide commentary on SB 86. He applauds various transparency measures, including efforts to enhance public availability of data and provisions requiring certain hearings and reports. However, DesRoches encourages the committee to enhance transparency and accountability with respect to the AI regulatory sandbox. He suggests requiring the Attorney General to submit reports on chatbot enforcement activity and to expand reporting requirements for chatbot operators. DesRoches encourages the committee to include additional provisions that require public notification when AI is used in government decision-making.

Connecticut Association of Health Plans–Susan Halpin, Executive Director testified in support of the substance of the bill while recommending that policymakers consider "flexible policy options" as the bill's language is refined.

Microsoft–Aimee Sprung, State Government Affairs testified to request a targeted amendment to the definition of "companion chatbot." They express concern that as drafted, the definition could unintentionally capture various productivity tools that are commonly used in the public and private sectors. Microsoft argues that such tools do not serve the same function as chatbots designed to mimic human relationships and therefore should not be regulated in the same fashion. Their written testimony includes the full language of their suggested edits.

Michael Binko, Entrepreneur and Venture Capital Investor provided general commentary on multiple AI-related bills under the committee's consideration. Binko testified that he has partnered with Trinity College students to pilot an AI and quantum innovation sandbox. His remarks stressed the need to foster innovation while keeping privacy concerns at the forefront.

NATURE AND SOURCES OF OPPOSITION

AFL-CIO Technology Institute–Crystal Weise, Policy and Programs Director provided written and spoken testimony in opposition to SB 86. Weise argues that the bill favors corporations over residents of Connecticut. At the public hearing, she questioned who benefits from the state's release of "high value data." Her written testimony argues that aggregating data does not necessarily protect people's privacy, as there are technologies that can identify individuals within an aggregated data set. Weise's comments regarding regulatory sandboxes warn that subsequent experimentation could harm workers while shielding large corporations from liability. She expresses general support for chatbot protections but points out loopholes in the raised bill's language. Weise requests that the committee enact stronger guardrails against unchecked AI.

Connecticut AFL-CIO–Ed Hawthorne, President spoke at the public hearing, with his comments largely echoing those above.

AFT Connecticut–Stuart Savelkoul, Chief of Staff
AFT–Brad Murray, Deputy Research Director
These individuals spoke at the public hearing to raise concerns about SB 86. While they expressed appreciation for its efforts to improve data governance and increase consumer safety, they argued that it focuses on innovation at the expense of worker protections. AFT

noted that AI tools are already impacting workers in hiring, scheduling, and other decisions, but they do not always understand how these tools work or see how they operate. While they acknowledged that the idea of a regulatory sandbox can sound appealing, they cautioned against its creation. Savelkoul warned that the elimination of guardrails can have serious consequences for members of the public. AFT stated that they urge the committee to strengthen the bill's transparency requirements and to pursue legislation that simultaneously advances innovation and worker protections.

Communications Workers of America Local 1298–James Case, Member Lobbyist and **Dave Weidlich Jr., President** testified in opposition to SB 86. CWA argues that AI legislation must include strong, enforceable worker protections, and that SB 86 falls short in this area. Weidlich writes that he opposes the bill because it "fails to provide many of the important protections included in SB 5." Case stresses the importance of clear guidelines regarding the use of AI in the workplace and emphasizes the need for enforceability, writing, "Legislation with no teeth isn't worth the AI it was created by." Case expresses his viewpoint that the bill's protections are wholly inadequate, testifying, "It's vague and nebulous, and can be easily exploited or ignored, which may be the point. I think the irony of it being Senate Bill 86 shouldn't be overlooked, and it should promptly be 86'd."

Reported by: Betsy Francolino **Date: March 27, 2026**