

118TH CONGRESS
2D SESSION

H. R. 10263

To require the Federal financial agencies to carry out a study and report on standardized descriptions for vendor-provided artificial intelligence systems, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 26, 2024

Ms. WATERS introduced the following bill; which was referred to the
Committee on Financial Services

A BILL

To require the Federal financial agencies to carry out a study and report on standardized descriptions for vendor-provided artificial intelligence systems, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Responsible AI Disclo-
5 sure Act of 2024”.

1 **SEC. 2. STUDY AND REPORT ON STANDARDIZED DESCRIP-**
2 **TION FOR VENDOR-PROVIDED ARTIFICIAL IN-**
3 **TELLIGENCE SYSTEMS.**

4 (a) STUDY.—The heads of each covered agency may
5 coordinate with other covered agencies and consult with
6 other relevant Government agencies to carry out a study
7 that—

8 (1) establishes current and recommended defini-
9 tions and standards for categorizing artificial intel-
10 ligence data and methodologies used to train artifi-
11 cial intelligence models that are commonly utilized
12 by regulated entities;

13 (2) assesses current and recommended practices
14 for regulated entities and vendors to identify data
15 used to train artificial intelligence models that are
16 utilized by regulated entities;

17 (3) assesses current and recommended stand-
18 ards for the delineation and ratios of synthetic
19 versus genuine data in the training of artificial intel-
20 ligence models;

21 (4) identifies the sources of such data;

22 (5) assesses how such models are designed and
23 function, including how the data submitted to such
24 models are incorporated and other ways in which the
25 data is typically used; and

1 (6) examines best practices for complying with
2 applicable Federal laws and regulations, including
3 anti-discrimination, consumer protection, and inves-
4 tor protection requirements with respect to internal
5 or vendor-provided artificial intelligence systems uti-
6 lized by regulated entities.

7 (b) REPORT.—Not later than the end of the 6-month
8 period beginning on the date of the enactment of this Act,
9 the heads of each covered agency shall issue a report to
10 the Committee on Financial Services of the House of Rep-
11 resentatives and the Committee on Banking, Housing, and
12 Urban Affairs of the Senate that contains—

13 (1) all findings and determinations made in car-
14 rying out the study required under subsection (a);
15 and

16 (2) recommendations on whether Federal stat-
17 utes, regulations, guidance, orders, supervisory prac-
18 tices, or any other administrative actions should be
19 revised with regard to the disclosures and standard-
20 ized descriptions of vendor-provided artificial intel-
21 ligence systems.

22 (c) EXISTING AUTHORITY.—After the issuance of the
23 report required under subsection (b), each covered agency
24 shall, if the agency determines it appropriate and deter-

1 mines the agency has the authority to act under another
2 provision of law, require—

3 (1) regulated entities and vendors providing ar-
4 tificial intelligence systems to regulated entities to—

5 (A) report to the covered agency—

6 (i) how the entity or vendor identifies
7 data used to train artificial intelligence
8 models;

9 (ii) the delineation and ratios of syn-
10 thetic versus genuine data in the training
11 of artificial intelligence models;

12 (iii) the sources of such data; or

13 (iv) how such models are designed and
14 function, including how the data submitted
15 to such models are incorporated and other
16 ways in which the data is typically used; or

17 (B) disclose all or part of the information
18 described under subparagraph (A) to the public
19 in such form as the covered agency determines
20 appropriate; or

21 (2) vendors seeking to provide artificial intel-
22 ligence systems to regulated entities to provide the
23 regulated entities with a standardized disclosure, as
24 determined by the covered agency, with information

1 described in paragraph (1)(A) for each artificial in-
2 telligence model the regulated entity seeks to utilize.

3 (d) SENSE OF CONGRESS.—It is the sense of the
4 Congress that a covered agency that determines the re-
5 quirements described under subsection (c) are needed
6 should not wait to implement such requirements until
7 after the issuance of the report under subsection (b).

8 (e) DEFINITIONS.—In this section:

9 (1) COVERED AGENCY.—The term “covered
10 agency” means the Board of Governors of the Fed-
11 eral Reserve System, the Bureau of Consumer Fi-
12 nancial Protection, the Federal Deposit Insurance
13 Corporation, the Office of the Comptroller of the
14 Currency, the National Credit Union Administra-
15 tion, and the Securities and Exchange Commission.

16 (2) REGULATED ENTITY.—With respect to a
17 covered agency, the term “regulated entity”
18 means—

19 (A) an entity with respect to which the
20 covered agency is the primary financial regu-
21 latory agency (as defined under section 2 of the
22 Dodd-Frank Wall Street Reform and Consumer
23 Protection Act);

24 (B) a State credit union or a Federal cred-
25 it union (as such terms are defined, respec-

1 tively, under section 101 of the Federal Credit
2 Union Act), with respect to the National Credit
3 Union Administration; and

4 (C) a covered person (as defined under sec-
5 tion 1002 of the Consumer Financial Protection
6 Act of 2010), with respect to the Bureau of
7 Consumer Financial Protection.

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