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118TH CONGRESS
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H. R. 7532

[Report No. 118–905]

To amend chapter 35 of title 44, United States Code, to establish Federal AI system governance requirements, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 5, 2024

Mr. COMER (for himself, Mr. RASKIN, Ms. MACE, Ms. OCASIO-CORTEZ, Mr. HIGGINS of Louisiana, Mr. CONNOLLY, Mr. LANGWORTHY, and Mr. KHANNA) introduced the following bill; which was referred to the Committee on Oversight and Accountability

DECEMBER 18, 2024

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italie*]

[For text of introduced bill, see copy of bill as introduced on March 5, 2024]

A BILL

To amend chapter 35 of title 44, United States Code, to establish Federal AI system governance requirements, 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 “Federal A.I. Governance*
 5 *and Transparency Act of 2024”.*

6 **SEC. 2. ESTABLISHMENT OF FEDERAL AGENCY ARTIFICIAL**
 7 **INTELLIGENCE SYSTEM GOVERNANCE RE-**
 8 **QUIREMENTS.**

9 *(a) FEDERAL AI SYSTEM GOVERNANCE.—*

10 *(1) AMENDMENT.—Chapter 35 of title 44, United*
 11 *States Code, is amended by adding at the end the fol-*
 12 *lowing:*

13 **“SUBCHAPTER IV—ARTIFICIAL INTELLIGENCE**
 14 **SYSTEM GOVERNANCE**

15 **“§ 3591. Purposes**

16 *“The purposes of this subchapter, with respect to the*
 17 *design, development, acquisition, use, management, and*
 18 *oversight of artificial intelligence in the Federal Govern-*
 19 *ment, are to ensure the following:*

20 *“(1) Actions that are consistent with the Con-*
 21 *stitution and any other applicable law and policy,*
 22 *including those addressing freedom of speech, privacy,*
 23 *civil rights, civil liberties, and an open and trans-*
 24 *parent Government.*

1 “(2) *Any such action is purposeful and perform-*
2 *ance-driven, including ensuring the following:*

3 “(A) *Such action promotes the consistent*
4 *and systemic treatment of all individuals in a*
5 *fair, just, and impartial manner.*

6 “(B) *The public benefits of such action sig-*
7 *nificantly outweigh the risks.*

8 “(C) *The risks and operations of such ac-*
9 *tion do not unfairly and disproportionately ben-*
10 *efit or harm an individual or subgroup of the*
11 *public.*

12 “(D) *The risk of such action is assessed and*
13 *responsibly managed, including before the use of*
14 *artificial intelligence.*

15 “(3) *Any application of artificial intelligence is*
16 *consistent with the use cases for which the artificial*
17 *intelligence was trained, and the deployers of such ap-*
18 *plication promote verifiably accurate, ethical, reliable,*
19 *and effective use.*

20 “(4) *The safety, security, and resiliency of artifi-*
21 *cial intelligence applications, including resilience*
22 *when confronted with any systematic vulnerability,*
23 *adversarial manipulation, and other malicious ex-*
24 *ploitation.*

1 “(5) *The purpose, operations, risks, and out-*
2 *comes of artificial intelligence applications are suffi-*
3 *ciently explainable and understandable, to the extent*
4 *practicable, by subject matter experts, users, impacted*
5 *parties, and others, as appropriate.*

6 “(6) *Such action is responsible and accountable,*
7 *including by ensuring the following:*

8 “(A) *Human roles and responsibilities are*
9 *clearly defined, understood, and appropriately*
10 *assigned.*

11 “(B) *Artificial intelligence is used in a*
12 *manner consistent with the purposes described in*
13 *this section and the purposes for which each use*
14 *of artificial intelligence is intended.*

15 “(C) *Such action, as well as relevant inputs*
16 *and outputs of artificial intelligence applica-*
17 *tions, are well documented and accountable.*

18 “(7) *Responsible management and oversight by*
19 *ensuring the following:*

20 “(A) *Artificial intelligence applications are*
21 *regularly tested against the purposes described in*
22 *this section.*

23 “(B) *Mechanisms are maintained to super-*
24 *sede, disengage, or deactivate applications of ar-*
25 *tificial intelligence that demonstrate performance*

1 *or outcomes that are inconsistent with the in-*
2 *tended use or this subchapter.*

3 “(C) *Engagement with impacted commu-*
4 *nities.*

5 “(8) *Transparency in publicly disclosing rel-*
6 *evant information regarding the use of artificial in-*
7 *telligence to appropriate stakeholders, to the extent*
8 *practicable and in accordance with any applicable*
9 *law and policy, including with respect to the protec-*
10 *tion of privacy, civil liberties, and of sensitive law en-*
11 *forcement, national security, trade secrets or propri-*
12 *etary information, and other protected information.*

13 “(9) *Accountability for the following:*

14 “(A) *Implementing and enforcing appro-*
15 *priate safeguards necessary to comply with the*
16 *purposes described in this section and the re-*
17 *quirements of this subchapter, for the proper use*
18 *and functioning of the applications of artificial*
19 *intelligence.*

20 “(B) *Monitoring, auditing, and docu-*
21 *menting compliance with those safeguards, as*
22 *appropriate.*

23 “(C) *Providing appropriate training to all*
24 *agency personnel responsible for the design, de-*

1 *velopment, acquisition, use, management, and*
2 *oversight of artificial intelligence.*

3 **“§ 3592. Definitions**

4 *“In this subchapter:*

5 *“(1) IN GENERAL.—Except as provided in para-*
6 *graph (2), the definitions under sections 3502 shall*
7 *apply to this subchapter.*

8 *“(2) ADDITIONAL DEFINITIONS.—In this sub-*
9 *chapter:*

10 *“(A) ADMINISTRATOR.—The term ‘Adminis-*
11 *trator’ means the Administrator of General Serv-*
12 *ices.*

13 *“(B) APPROPRIATE CONGRESSIONAL COM-*
14 *MITTEES.—The term ‘appropriate congressional*
15 *committees’ means the Committee on Oversight*
16 *and Accountability of the House of Representa-*
17 *tives and the Committee on Homeland Security*
18 *and Governmental Affairs of the Senate.*

19 *“(C) ARTIFICIAL INTELLIGENCE.—The term*
20 *‘artificial intelligence’ has the meaning given the*
21 *term in section 238(g) of the John S. McCain*
22 *National Defense Authorization Act for Fiscal*
23 *Year 2019 (Public Law 115–232; 10 U.S.C. note*
24 *prec. 4061).*

“(D) *ARTIFICIAL INTELLIGENCE SYSTEM.*—

The term ‘artificial intelligence system’ means any data system, software, application, tool, or utility that operates in whole or in part using dynamic or static machine learning algorithms or other forms of artificial intelligence, whether—

“(i) the data system, software, application, tool, or utility is established primarily for the purpose of researching, developing, or implementing artificial intelligence technology; or

“(ii) artificial intelligence capability is integrated into another system or business process, operational activity, or technology system.

“(E) *FEDERAL ARTIFICIAL INTELLIGENCE SYSTEM.*—*The term ‘Federal artificial intelligence system’ means an artificial intelligence system used in connection with a Federal information system.*

“(F) *FEDERAL INFORMATION SYSTEM.*—*The term ‘Federal information system’ has the meaning given the term in section 11331(g) of title 40.*

1 “(G) *NATIONAL SECURITY SYSTEM.*—*The*
2 *term ‘national security system’ has the meaning*
3 *given that term in section 3552(b) of title 44.*

4 **“§ 3593. Authority and functions of the Director**

5 *“The Director shall oversee the design, development,*
6 *acquisition, use, management, and oversight of Federal ar-*
7 *tificial intelligence systems by agencies to implement the*
8 *purposes described in section 3591. In performing such*
9 *oversight, the Director shall do the following:*

10 *“(1) Develop, coordinate, and oversee the imple-*
11 *mentation of policies, purposes, standards, and guide-*
12 *lines to ensure appropriate use of Federal artificial*
13 *intelligence systems and the protection of civil rights,*
14 *civil liberties, and privacy, including in conformity*
15 *with section 552a of title 5 and other applicable laws,*
16 *as well as the integrity of Federal information sys-*
17 *tems and information technology in accordance with*
18 *the other requirements of this chapter.*

19 *“(2) Oversee agency compliance with the require-*
20 *ments of this subchapter, including through any au-*
21 *thorized enforcement action under section 11303(b)(5)*
22 *of title 40 to ensure agency accountability and com-*
23 *pliance.*

24 *“(3) Issue and update, as necessary, guidance to*
25 *agencies to take steps to advance the governance of*

1 *Federal artificial intelligence systems, manage risk,*
2 *and remove relevant barriers to innovation, consistent*
3 *with the requirements of this subchapter and, as ap-*
4 *propriate the standards promulgated under section*
5 *22A of the National Institute of Standards and Tech-*
6 *nology Act (15 U.S.C. 278h–1) pursuant to section*
7 *5302 of the William M. (Mac) Thornberry National*
8 *Defense Authorization Act for Fiscal Year 2021 (15*
9 *U.S.C. 9441) that addresses the following:*

10 “(A) *The development of policies regarding*
11 *Federal acquisition, procurement, and use by*
12 *agencies regarding artificial intelligence, includ-*
13 *ing an identification of the responsibilities of*
14 *agency officials managing the use of such tech-*
15 *nology.*

16 “(B) *The ownership and protection of data*
17 *and other information created, used, processed,*
18 *stored, maintained, disseminated, disclosed, or*
19 *disposed of by a contractor or subcontractor (at*
20 *any tier) on behalf of the Federal Government.*

21 “(C) *The protection of training data, algo-*
22 *rithms, and other components of any Federal ar-*
23 *tificial intelligence system against misuse, unau-*
24 *thorized alteration, degradation, or being ren-*
25 *dered inoperable.*

1 “(D) *The removal of barriers to responsible*
2 *agency use of artificial intelligence, such as in-*
3 *formation technology, data, workforce, and budg-*
4 *etary barriers, in order to promote the innova-*
5 *tive application of those technologies while pro-*
6 *tecting privacy, civil liberties, civil rights, and*
7 *economic and national security.*

8 “(E) *The establishment of best practices for*
9 *identifying, assessing, and mitigating any dis-*
10 *crimination in violation of title VI of the Civil*
11 *Rights Act of 1964 (42. U.S.C. 2000d et seq.), or*
12 *any unintended consequence of the use of artifi-*
13 *cial intelligence, including policies to—*

14 “(i) *identify data used to train artifi-*
15 *cial intelligence;*

16 “(ii) *identify data analyzed or ingested*
17 *by Federal artificial intelligence systems*
18 *used by the agencies; and*

19 “(iii) *require periodic evaluation of*
20 *Federal artificial intelligence systems, as*
21 *appropriate.*

22 “(4) *Issue guidance for agencies to establish a*
23 *plain language notification process, as necessary and*
24 *appropriate and in conformity with applicable law,*
25 *including section 552a of title 5, for individuals or*

1 *entities impacted by an agency determination that*
2 *has been based solely on an output from, or sub-*
3 *stantively and meaningfully informed, augmented, or*
4 *assisted by a Federal artificial intelligence system, in-*
5 *cluding the contents of any notice, including examples*
6 *of what the notice may look like in practice.*

7 “(5) *Issue guidance for agencies to review their*
8 *appeals process and to make modifications, as nec-*
9 *essary and appropriate, to account for determinations*
10 *made solely by or substantively and meaningfully in-*
11 *formed, augmented, or assisted by a Federal artificial*
12 *intelligence system, including guidance on how an*
13 *agency provides the impacted individual or entity the*
14 *opportunity for an alternative review independent of*
15 *the Federal artificial intelligence system, as appro-*
16 *priate.*

17 “(6) *Provide guidance and a template for the re-*
18 *quired contents of the agency plans described in sec-*
19 *tion 3594(6) that uses a uniform resource locator that*
20 *is in a consistent format across agencies such as the*
21 *format ‘agencyname.gov/AI’.*

22 “(7) *Issue guidance, including a uniform re-*
23 *quired submission format and criteria for updating*
24 *entries after significant changes, for the establishment*
25 *of agency AI governance charters under section 3595,*

1 including defining high-risk Federal artificial intel-
2 ligence systems, and publication under section 3596.

3 **“§ 3594. Federal agency responsibilities**

4 *“The head of each agency shall do the following:*

5 *“(1) Comply with the requirements of this sub-*
6 *chapter and related policies, purposes, standards, and*
7 *guidelines, including those under section 552a of title*
8 *5 and in guidance issued by the Director under sec-*
9 *tion 3593.*

10 *“(2) Ensure that Federal artificial intelligence*
11 *system management processes are integrated with*
12 *agency strategic, operational, data, workforce plan-*
13 *ning, and budgetary planning processes, and other re-*
14 *quirements under this chapter.*

15 *“(3) Ensure that senior agency officials, includ-*
16 *ing the Chief Information Officer, the Chief Data Of-*
17 *ficer, and the senior agency official for privacy, im-*
18 *plement policies and procedures regarding Federal ar-*
19 *tificial intelligence systems under the control of such*
20 *officers, assess and reduce any risks to such systems*
21 *to an acceptable level, and periodically assess and*
22 *validate management procedures and controls to en-*
23 *sure effective implementation of this subchapter.*

24 *“(4) Delegate to the agency Chief Information*
25 *Officer established under section 3506 (or comparable*

1 *official in an agency not covered by such section) the*
2 *primary authority and accountability to ensure com-*
3 *pliance with the agency requirements under this sub-*
4 *chapter in coordination with any other appropriate*
5 *senior agency official designated by the head of the*
6 *agency.*

7 *“(5) Ensure that contracts for the acquisition*
8 *and procurement of a Federal artificial intelligence*
9 *system are consistent with the requirements of this*
10 *subchapter and any guidance issued by the Director*
11 *under section 3593(3).*

12 *“(6) Maintain a plan, posted on a publicly*
13 *available and centralized webpage of the agency and*
14 *prepared in accordance with the template provided by*
15 *the Director under section 3593(6), to—*

16 *“(A) achieve consistency with the require-*
17 *ments of this subchapter and guidance issued by*
18 *the Director; and*

19 *“(B) provide the public information about*
20 *agency policies and procedures for governing*
21 *Federal artificial intelligence systems, including*
22 *the inventory of artificial intelligence use cases*
23 *required by section 7225(a) of the Advancing*
24 *American AI Act (subtitle B of title LXXII of*
25 *Public Law 117–263; 40 U.S.C. 11301 note).*

1 “(7) *Establish procedures for notifying an indi-*
2 *vidual or entity impacted by an agency determina-*
3 *tion made solely by an output from, or substantively*
4 *and meaningfully informed, augmented, or assisted*
5 *by a Federal artificial intelligence system in accord-*
6 *ance with guidance issued by the Director under sec-*
7 *tion 3593(4).*

8 “(8) *Modify the agency appeals process, as nec-*
9 *essary and appropriate, to account for determinations*
10 *made solely by or substantively and meaningfully in-*
11 *formed, augmented, or assisted by a Federal artificial*
12 *intelligence system, and to provide the impacted indi-*
13 *vidual or entity the opportunity for an alternative re-*
14 *view independent of the Federal artificial intelligence*
15 *system, as appropriate, as established by the Director*
16 *under section 3593(5).*

17 “(9) *In accordance with guidance issued by the*
18 *Director under section 3593(7), oversee the establish-*
19 *ment of AI governance charters for Federal artificial*
20 *intelligence systems, including by—*

21 “(A) *establishing a process, led by each offi-*
22 *cial identified in section 3594(4) to ensure that*
23 *each Federal artificial intelligence system has an*
24 *established AI governance charter that is regu-*
25 *larly updated in accordance with the require-*

1 *ments under section 3595 and made publicly*
2 *available on the webpage under paragraph (6);*

3 *“(B) submitting each AI governance charter*
4 *to the Federal Register not later than 30-days*
5 *after the initial establishment or termination of*
6 *the charter, in conformity with guidance from*
7 *the Director; and*

8 *“(C) submitting each AI governance charter*
9 *to the Administrator for publication in a format*
10 *established in the Directors guidance in accord-*
11 *ance with section 3596.*

12 *“(10) In consultation with the Director, the Di-*
13 *rector of the Office of Personnel Management, and the*
14 *Administrator of General Services, conduct regular*
15 *training programs to educate relevant agency pro-*
16 *gram and management officials, including employees*
17 *supporting the functions of the Chief Information Of-*
18 *ficer, the Chief Data Officer, the Evaluation Officer,*
19 *the senior privacy official, and the statistical official,*
20 *as appropriate, about the management of Federal ar-*
21 *tificial intelligence systems and compliance with the*
22 *requirements of this subchapter, which may be inte-*
23 *grated with the training requirements and covered*
24 *topics established by the Artificial Intelligence Train-*

1 *ing for the Acquisition Workforce Act (Public Law*
 2 *117–207; 41 U.S.C. 1703 note).*

3 **“§ 3595. Agency AI Governance Charters**

4 “(a) *IN GENERAL.*—*In accordance with the guidance*
 5 *established under section 3593(7), the head of each agency*
 6 *shall ensure that an accurate and complete AI governance*
 7 *charter is established for each Federal artificial intelligence*
 8 *system in use by the agency that is designated as a high-*
 9 *risk Federal artificial intelligence system or was trained*
 10 *on, uses, or produces a record maintained on an individual*
 11 *(as defined under section 552a(a) of title 5).*

12 “(b) *CONTENTS OF CHARTERS.*—*An AI governance*
 13 *charter for a Federal artificial intelligence system shall, at*
 14 *a minimum, include the following:*

15 “(1) *The name and an identifying summary of*
 16 *the Federal artificial intelligence system, including*
 17 *the following:*

18 “(A) *A descriptive summary of each pur-*
 19 *pose and relevant use case of the system, as may*
 20 *be documented on the inventory established*
 21 *under section 7225 of the Advancing American*
 22 *AI Act (subtitle B of title LXXII of Public Law*
 23 *117–263; 40 U.S.C. 11301 note).*

24 “(B) *The bureau, department, or office*
 25 *using or operating the system, and to the extent*

1 *practicable, each program designated on the*
2 *website required under section 1122(a)(2) of title*
3 *31 associated with use of the system.*

4 *“(C) The name and direct contact informa-*
5 *tion for a designated agency official responsible*
6 *for the overall outputs of the system.*

7 *“(D) The name and direct contact informa-*
8 *tion for a designated agency official responsible*
9 *for the ongoing maintenance of the system which*
10 *may be the same official designated under sub-*
11 *paragraph (C).*

12 *“(2) Information about how the Federal artifi-*
13 *cial intelligence system was developed and funded, in-*
14 *cluding the following:*

15 *“(A) Other individuals or entities that have*
16 *developed, maintained, managed, and operated*
17 *the system.*

18 *“(B) Information about any relevant Fed-*
19 *eral award including any associated contract,*
20 *grant, cooperative agreement, or other trans-*
21 *action agreement.*

22 *“(3) Information about the training, validation,*
23 *and testing of the Federal artificial intelligence sys-*
24 *tem, including the following:*

1 “(A) A description of the type of data or
2 data assets used in the training, validation, and
3 testing of the Federal artificial intelligence sys-
4 tem or, if such information is not available, a
5 statement describing why such information is
6 not available.

7 “(B) A designation of whether any of the
8 data or data assets used in training, validating,
9 or testing the Federal artificial intelligence sys-
10 tem are classified as an open Government data
11 asset or a public data asset or a designated sys-
12 tem of record described under paragraph (7).

13 “(C) Information on how to access any open
14 Government data asset or public data asset iden-
15 tified under subparagraph (B).

16 “(D) A listing of audits, testing, or other
17 risk assessments of the Federal artificial intel-
18 ligence system, including contact information of
19 the individual or entity that conducted such as-
20 sessments.

21 “(4) Information about ongoing oversight and
22 maintenance of the Federal artificial intelligence sys-
23 tem, including a description of the ongoing testing,
24 monitoring, or auditing of the Federal artificial intel-
25 ligence system, including information about the ca-

1 *dence of testing, as appropriate, and the entity re-*
2 *sponsible for such testing.*

3 *“(5) Information about how the system is used*
4 *by the agency, including—*

5 *“(A) the date the agency began using the*
6 *system and the intended life span of use, if ap-*
7 *propriate; and*

8 *“(B) whether any agency determinations*
9 *have been or are intended to be based solely on*
10 *an output from, or informed, augmented, or as-*
11 *sisted by the Federal artificial intelligence sys-*
12 *tem, and—*

13 *“(i) a summary of how the Federal ar-*
14 *tificial intelligence system or the data or*
15 *data assets produced by the Federal artifi-*
16 *cial intelligence system is used to inform,*
17 *augment, or assist in making these deter-*
18 *minations;*

19 *“(ii) information about other agencies*
20 *or federally funded entities that use or rely*
21 *on these determinations; and*

22 *“(iii) a description of any associated*
23 *notice or modified appeal process as re-*
24 *quired under section 3593(4) and 3593(5).*

1 “(6) *Information about data or data assets pro-*
2 *duced by the Federal artificial intelligence system, in-*
3 *cluding a description of the data or data assets pro-*
4 *duced, altered, or augmented by the system, includ-*
5 *ing—*

6 “(A) *a designation of whether any of the*
7 *data or data assets are classified as an open*
8 *Government data asset or a public data asset or*
9 *are included in a designated system of record de-*
10 *scribed under paragraph (7);*

11 “(B) *information on how to access any such*
12 *open Government data asset or public data asset*
13 *identified under subparagraph (A); and*

14 “(C) *information about any other agency or*
15 *federally funded entity known to use or otherwise*
16 *rely upon the data or data assets identified*
17 *under this paragraph.*

18 “(7) *Information on whether the system was*
19 *trained on, uses, or produces a record maintained on*
20 *an individual (as defined under section 552a(a) of*
21 *title 5), including—*

22 “(A) *a listing of any designated system of*
23 *record including a reference to any associated*
24 *notice in the Federal Register for the establish-*

1 *ment or revision of such system of record, as re-*
2 *quired under section 552a(d) of title 5; or*

3 *“(B) a description of any system of record*
4 *that has been exempted under subsection (j) or*
5 *(k) of section 552a of title 5, including the state-*
6 *ment required under section 553(c) of title 5 that*
7 *documents the reasons why the system of records*
8 *is exempted.*

9 *“(c) REGULAR UPDATES REQUIRED.—The head of*
10 *each agency shall establish procedures to ensure that each*
11 *AI governance charter for the agency is updated to capture*
12 *any significant change to the Federal artificial intelligence*
13 *system, consistent with guidance established in section*
14 *3593(7) and not less than 30 days after such change has*
15 *been implemented.*

16 *“(d) REQUIREMENT FOR PUBLICATION.—An AI gov-*
17 *ernance charter required under subsection (a) shall be made*
18 *public on the agency webpage noticed in the Federal Reg-*
19 *ister, and published on the Federal AI System Inventory*
20 *established under section 3596, in accordance with proce-*
21 *dures established by the agency under section 3594(9) in*
22 *conformity with guidance issued by the Director under sec-*
23 *tion 3593(7) before a Federal artificial intelligence system*
24 *is used by an agency, except that—*

1 “(1) the head of an agency may, with advance
2 approval of the Director and notification to the ap-
3 propriate congressional committees, including the rel-
4 evant authorizing committee in the House of Rep-
5 resentatives and the Senate, and the relevant agency
6 Inspector General, waive the publication requirement
7 under this subsection; or

8 “(2) in order to protect properly classified na-
9 tional security information, a charter may be sub-
10 mitted to the Director, appropriate congressional
11 committees, including the relevant authorizing com-
12 mittee in the House of Representatives and the Sen-
13 ate, and the relevant agency Inspector General in lieu
14 of the publication requirement of this subsection.

15 “(e) *EXEMPTIONS.*—A Federal artificial intelligence
16 system is exempt from the requirements of this section if
17 the system is used—

18 “(1) solely for the purpose of research or develop-
19 ment, except that the purposes described and guidance
20 promulgated under this subchapter should inform any
21 such research, development, testing, or evaluation di-
22 rected at future applications of Federal artificial in-
23 telligence systems; or

24 “(2) in a national security system, in whole or
25 in part, if the agency maintains a complete and regu-

1 *larly updated nonpublic version of each AI govern-*
 2 *ance charter in accordance with subsections (a) and*
 3 *(b) and the guidance required by section 3593(7).*

4 **“§ 3596. AI Governance Charter Inventory**

5 *“The Administrator of General Services shall main-*
 6 *tain a single, public online interface for centrally cata-*
 7 *logging agency AI governance charters which shall be known*
 8 *as the ‘Federal AI System Inventory’. The Administrator*
 9 *and the Director shall—*

10 *“(1) ensure that each agency, as appropriate,*
 11 *submits AI governance charters for publication on the*
 12 *interface, in a publicly accessible machine-readable*
 13 *and open format to facilitate searchability and bulk*
 14 *download of the inventory; and*

15 *“(2) provide a clear process and mechanism for*
 16 *each agency to make timely revisions and updates.*

17 **“§ 3597. Independent evaluation**

18 *“(a) IN GENERAL.—Not later than 2 years after the*
 19 *date of the enactment of this subchapter, and every 2 years*
 20 *thereafter, the Inspector General appointed under chapter*
 21 *4 of title 5 for each agency shall perform an independent*
 22 *evaluation of the Federal artificial intelligence governance*
 23 *policies and practices of the agency and submit to the head*
 24 *of the agency, the Director, and the appropriate congres-*

1 sional committees, a report which may include a classified
2 annex. The report shall include at a minimum—

3 “(1) an assessment of the comprehensive compli-
4 ance of the agency with the requirement under section
5 3595 for each Federal artificial intelligence system in
6 use or maintained by an agency to have an estab-
7 lished, and appropriately noticed, AI governance
8 charter, including timely revisions to reflect signifi-
9 cant changes and appropriate use of the exemptions
10 described under section 3595(e); and

11 “(2) an assessment of compliance by the agency
12 with artificial intelligence governance policies and
13 practices with the requirements of this subchapter.

14 “(b) COMPTROLLER GENERAL.—The Comptroller Gen-
15 eral shall periodically evaluate and submit to Congress a
16 report on the—

17 “(1) effectiveness of agency Federal artificial in-
18 telligence system governance policies and practices;

19 “(2) implementation of the requirements of this
20 subchapter by the Director, Administrator, and agen-
21 cies; and

22 “(3) extent to which the requirements of this sub-
23 chapter and related implementing guidance and poli-
24 cies reflect technology advancements and provide any
25 legislative recommendations as appropriate.”.

1 (2) *TABLE OF SECTIONS.*—*The table of sections*
 2 *for chapter 35 of title 44, United States Code, is*
 3 *amended by adding at the end the following:*

“SUBCHAPTER IV—ARTIFICIAL INTELLIGENCE SYSTEM GOVERNANCE

“3591. *Purposes.*

“3592. *Definitions.*

“3593. *Authority and functions of the Director.*

“3594. *Federal agency responsibilities.*

“3595. *Agency AI Governance Charters.*

“3596. *AI Governance Charter Inventory.*

“3597. *Independent evaluation.*”.

4 (b) *OMB GUIDANCE.*—*Not later than 1 year after the*
 5 *date of the enactment of this Act, the Director of the Office*
 6 *of Management and Budget, in consultation with the Direc-*
 7 *tor of the National Institute of Standards and Technology,*
 8 *the Administrator of General Services, the Director of the*
 9 *Office of Science and Technology Policy, and the head of*
 10 *any other relevant agency as determined by the Director*
 11 *of the Office of Management and Budget, shall issue a*
 12 *memorandum to the head of each agency establishing guid-*
 13 *ance that implements the requirements of subchapter IV of*
 14 *title 35 of title 44, as added by this section, that—*

15 (1) *does not conflict with the requirements of and*
 16 *uses the working group established under section*
 17 *7224(d) of the Advancing American AI Act (Public*
 18 *Law 117–263; 40 U.S.C. 11301 note); and*

19 (2) *shall be reviewed and updated, as necessary,*
 20 *every 2 years for the next 10 years after the first such*
 21 *issuance and periodically thereafter.*

1 (c) *REQUIREMENT TO LIST AI GOVERNANCE CHAR-*
 2 *TERS IN AGENCY SYSTEM OF RECORDS NOTICE UNDER*
 3 *THE PRIVACY ACT.*—Section 552a(e) of title 5, United
 4 States Code, is amended—

5 (1) in paragraph (4)—

6 (A) in subparagraph (H), by striking
 7 “and” at the end;

8 (B) in subparagraph (I), by striking the
 9 semicolon and inserting “; and”; and

10 (C) by adding at the end the following new
 11 subparagraph:

12 “(J) a reference to any agency AI govern-
 13 ance charter required under section 3595 of title
 14 44 that is associated with a Federal artificial in-
 15 telligence system which was trained on, uses, or
 16 produces records contained within the system of
 17 record;”;

18 (2) by redesignating paragraphs (11) and (12)
 19 as paragraphs (12) and (13), respectively; and

20 (3) by inserting after paragraph (10) the fol-
 21 lowing new paragraph:

22 “(11) establish appropriate policies and proce-
 23 dures, in accordance with the requirements of sub-
 24 chapter IV of chapter 35 of title 44 to ensure the secu-
 25 rity, confidentiality, and integrity of records that a

1 *Federal artificial intelligence system uses, produces,*
 2 *or modifies;”.*

3 (d) *TECHNICAL AND CONFORMING REPEALS.—The fol-*
 4 *lowing are repealed:*

5 (1) *Subsections (a) and (d) of section 7224 of the*
 6 *Advancing American AI Act (subtitle B of title*
 7 *LXXII of Public Law 117–263; 40 U.S.C. 11301*
 8 *note).*

9 (2) *Section 104 of the AI in Government Act of*
 10 *2020 (Public Law 116–260; 40 U.S.C. 11301 note).*

11 (e) *CONTRACTING REGULATIONS.—Not later than 6*
 12 *months after the date on which the first guidance is estab-*
 13 *lished pursuant to subsection (b), the Federal Acquisition*
 14 *Regulation shall be revised to—*

15 (1) *implement the amendments made by this sec-*
 16 *tion; and*

17 (2) *require that any contractor or subcontractor*
 18 *(at any tier) with the Federal Government that*
 19 *builds, provides, operates, or maintains (pursuant to*
 20 *a contract entered into on or after such date of enact-*
 21 *ment) Federal artificial intelligence systems is re-*
 22 *quired to provide the information that the agency is*
 23 *required to report in accordance with the guidance*
 24 *issued pursuant to section 3593(5) of title 44, United*
 25 *States Code, as added by subsection (a), and any*

1 agency requirement under section 3595(a) of such
2 title.

3 (f) *RULES OF CONSTRUCTION.*—

4 (1) *AGENCY ACTIONS.*—*Nothing in this Act, or*
5 *an amendment made by this Act, shall be construed*
6 *to authorize the head of an agency to take an action*
7 *that is not authorized by this Act, an amendment*
8 *made by this Act, or other law.*

9 (2) *PROTECTION OF RIGHTS.*—*Nothing in this*
10 *Act, or an amendment made by this Act, shall be con-*
11 *strued to permit the violation of the rights of any in-*
12 *dividual protected by the Constitution of the United*
13 *States, including through censorship of speech pro-*
14 *ected by the Constitution of the United States or un-*
15 *authorized surveillance.*

16 (3) *PROTECTION OF PRIVACY.*—*Nothing in this*
17 *Act, or any amendment made by this Act, shall be*
18 *construed to impinge on the privacy rights of individ-*
19 *uals or allow unauthorized access, sharing, or use of*
20 *personal data.*

21 (4) *PROTECTION OF INFORMATION.*—*Nothing in*
22 *this Act, or any amendment made by this Act, shall*
23 *be construed to require, or otherwise compel, the pub-*
24 *lic disclosure of information that could be withheld*
25 *under section 552(b) of title 5, United States Code.*

1 (g) *DEFINITIONS.—In this section:*

2 (1) *AGENCY.—The term “agency” has the mean-*
3 *ing given that term in section 3502 of title 44, United*
4 *States Code.*

5 (2) *DIRECTOR.—The term “Director” means the*
6 *Director of the Office of Management and Budget, un-*
7 *less otherwise indicated.*

Union Calendar No. 740

118TH CONGRESS
2^D Session

H. R. 7532

[Report No. 118-905]

A BILL

To amend chapter 35 of title 44, United States Code, to establish Federal AI system governance requirements, and for other purposes.

DECEMBER 18, 2024

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed