AI Snapshot

NATIONAL CONFERENCE OF STATE LEGISLATURES
SEPTEMBER 29, 2023
BSA Global Members
# AI Across Industries

AI systems can be used in a range of industry-specific scenarios, many of which help companies improve existing products and services.

<table>
<thead>
<tr>
<th>Transportation</th>
<th>Manufacturing</th>
<th>Agriculture</th>
<th>Construction</th>
</tr>
</thead>
<tbody>
<tr>
<td>AI systems can improve the efficiency of airlines, by helping to pinpoint causes of any slowdowns in the process of cleaning, refueling, and reloading an airplane. Detecting these delays early helps the airline mitigate their effect on passengers.</td>
<td>AI design tools can optimize manufacturing processes, to reduce waste and improve products. This is true from early phases, where AI can help design and test new prototypes, to factory floors where AI systems can identify maintenance and quality-control issues.</td>
<td>Farmers use AI systems to analyze large volumes of weather and crop information, helping them monitor their crops, increase yields, and adjust to rain and drought conditions.</td>
<td>Companies use AI to streamline the process of designing and constructing new buildings. They can also create “digital twins” of real-life cities to understand environmental and other impacts of a proposed design.</td>
</tr>
</tbody>
</table>
**Everyday AI for Consumers**

**Do you want to pick up where you left off?**
AI systems are frequently used to identify documents and other files that users recently worked on and may want to re-open. These systems can also help users locate and organize their files, such as suggesting that similar files be stored in similar locations.

**Do you want to know more about that athlete?**
AI systems are used to improve traditional analytics that power fantasy sports leagues, by combining inputs on sports players and teams with news articles and other sources. That creates detailed insights for sports fans, like hole-by-hole player predictions for golf tournaments.

**Do you want to save time completing a form?**
AI systems can auto-populate your shipping address when you order a package or create draft responses to forms that you’ve completed in the past.

**Did you forget an attachment?**
For years, AI systems have been used by email providers to identify when a user may have forgotten to attach a document—and ask if something is missing.

**Is it noisy during your video call?**
If you join a video call from a crowded room, the video call provider may use an AI system to reduce the amount of background noise heard by others on the call—while making sure you still come through loud and clear.

**How can you reach that savings goal?**
AI systems can help you track your spending and budget goals, including analyzing your monthly spending habits and providing personalized recommendations for saving money.
Everyday AI for Businesses

Answering customer questions.
Businesses can offer customers 24/7 support through AI-powered chatbots that answer straightforward questions even when human customer service representatives are asleep. Bots can be programmed to address basic questions, instead of sending customers to FAQs.

Improving cybersecurity.
AI systems can sift through large volumes of information created by users of a company’s IT network to forecast, detect, prevent and respond to threats. AI systems can also distill large amounts of data about security events into concrete actions to help companies secure their products and services.

Responding to frequent emails.
Companies can set up AI systems to respond to common requests—like sending automatic responses to emails asking about the status of payment invoices.

Keeping shelves stocked.
AI systems can forecast demand for products and redistribute them across a company’s physical stores. AI systems can also detect early signs of supply chain issues and alert managers if inventory drops below certain levels.

Improving logistics and planning.
AI systems can improve a company’s ability to forecast supply-chain issues, optimize delivery routes, estimate arrival times for new shipments, and reduce their fuel and energy usage.

Improving safety for corporate cars.
AI systems can be trained to alert employees about anomalies in corporate cars that can indicate maintenance or safety issues.
Developers and Deployers: Distinct Roles

Developers: design, code, or produce AI systems

- A company that designs, codes, or produces an AI system, such as a software company that develops an AI system for speech recognition, is a developer.

Deployers: use AI systems

- A company that uses an AI system, such as a bank that uses an AI system either developed internally or by a third party to make loan determinations, is a deployer.

An organization can act as both a DEVELOPER and a DEPLOYER

- A cybersecurity company develops AI software that monitors network traffic and customer transactions and then uses it on its own platforms. The company is both a developer and a deployer.
Risk Management Programs

Artificial Intelligence Risk Management Framework (AI RMF 1.0)
Impact Assessments for High-Risk AI

Why Conduct an Impact Assessment?
Impact assessments have three purposes:

IDENTIFYING potential risks that an AI system may pose.
QUANTIFYING the degree of potential harms the system could generate.
DOCUMENTING steps taken to mitigate those risks.
Impact Assessments: Leveraging Privacy

**How Impact Assessments Are Used in Privacy and Data Protection**

Impact assessments are already used in a range of other fields, including privacy and data protection. A broad range of global and state privacy laws already require organizations to conduct impact assessments, and those processes can be leveraged to conduct AI-focused impact assessments. Impact assessments are an important and proven accountability tool to identify and mitigate risks, which can promote the responsible development and use of high-risk AI systems.

**United States:** At least 10 state privacy laws require data controllers to conduct impact assessments for specific types of data processing, such as processing involving sensitive personal data, targeted advertising, sale of personal data, and certain types of profiling.

**European Union:** Under the General Data Protection Regulation, controllers must conduct data protection impact assessments for certain activities, including those “likely to result in a high risk to the rights and freedoms of natural persons.”

**Worldwide:** Privacy and data protection laws worldwide have also focused on the importance of impact assessments as a tool for improving accountability, ranging from requirements in Brazil, Korea, Singapore, and the UK, to guidance in Canada, Australia, and beyond.
Questions?
Contacts:

- Kate Goodloe, Managing Director, Policy – kateg@bsa.org
- Matthew Lenz, Senior Director, State Advocacy – matthewl@bsa.org

More information:

- BSA AI Policy Resource Center: ai.bsa.org
- BSA: bsa.org