I. Use AI to improve government efficiency and save taxpayer money

As Artificial Intelligence (AI) rapidly advances, state legislatures across the country are grappling with how to regulate this complex technology. States are taking diverse approaches, including cautious observation and proactive measures.

Many states, including Idaho, Washington, Montana, and Wyoming have tried to navigate this new territory. Here are steps policymakers can take to maximize the potential of AI while mitigating risks and ensuring financial value.

Identifying service inefficiencies

Before harnessing AI's power, state legislatures must first illuminate the area most ripe for improvement. This step demands an examination of government spending patterns. This includes a meticulous effort to analyze data on program costs, service delivery, and administrative functions across all departments. Here are areas that AI can help:

- Repetitive tasks: Are employees bogged down in manual data entry or paperwork? AI automation can free them for higher-value tasks.[1]

- Administrative bloat: Are layers of bureaucracy slowing down processes and inflating costs? AI can streamline workflows, reducing administrative overhead.[2]

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[1] "3 Surprising Benefits of Artificial Intelligence in the Workplace," Beekeeper, March 1, 2024, available at https://www.beekeeper.io/blog/3-reasons-you-want-ai-in-the-workplace/
[2] "15 Ways Agencies Are Using AI To Streamline Workflows," Forbes, April 11, 2023, available at https://www.forbes.com/sites/forbesagencycouncil/2023/04/11/15-ways-agencies-are-using-ai-to-streamline-workflows/?sh=7ccf61d5d933
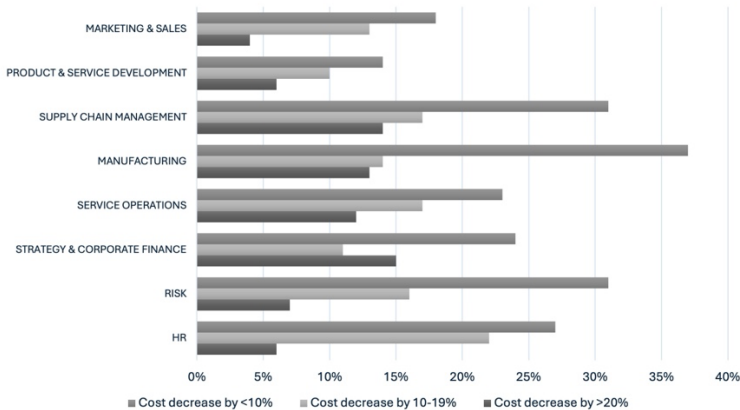
- Hidden inefficiencies: Analyze wait times for business filings, error rates, and citizen feedback to uncover hidden inefficiencies that drain resources.

Cost-benefit analysis to strike the balance between investment and savings

A rigorous cost-benefit analysis should be the cornerstone of any AI implementation plan. This analysis goes beyond simply accounting for the costs of developing, implementing, and maintaining AI solutions. It must meticulously estimate the potential cost savings generated by increased efficiency across various areas. One recent report by *Route Fifty* estimated AI could boost productivity by $519 billion a year across all U.S. governments.[3]

Percentage of companies reporting cost decreases from AI
McKinsey & Company

Legend: Cost decrease by <10% Cost decrease by 10-19% Cost decrease by >20%

[3] "States look to AI for its potential to help with finances," Route Fifty, March 20, 2024, available at https://www.route-fifty.com/finance/2024/03/states-look-ai-its-potential-help-finances/395102/

One example of a state using AI is the Robotic Process Automation (RPA) tool in Texas:

> "Texas uses RPA to collect data from the Bureau of Vital Statistics and Social Security Administration to compare against the eligibility system for a perfect match. The bot will automatically update the case to send a Notice of Adverse Action to one-person households that are reported deceased."[4]

Building a roadmap for phased implementation for sustainable success

Building a sustainable and successful AI implementation within state government requires a strategic, fiscally responsible approach. To have a successful implementation there must be a plan in place. Don't rush into widespread adoption. Instead, prioritize projects based on their potential for cost savings and efficiency gains. areas like repetitive tasks, data-driven decision-making, and fraud detection. Begin with low-risk pilot projects to test the water, gather valuable learnings, and refine the approach before wider implementation. This minimizes risk and allows for course correction based on real-world experience.

The AI landscape is vast and mostly unexplored in the public sector. It is likely that when implementing these practices, public officials will be trailblazers for the surrounding states and even the county. Harnessing the power of AI is not just about cost savings, it's about delivering better public services and improving the lives of citizens. By using a good process, public officials can effectively put AI to work for their state.

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[4] "Use of Advanced Automation in SNAP," U.S. Department of Agriculture, January 10, 2024, available at https://www.fns.usda.gov/snap/advanced-automation

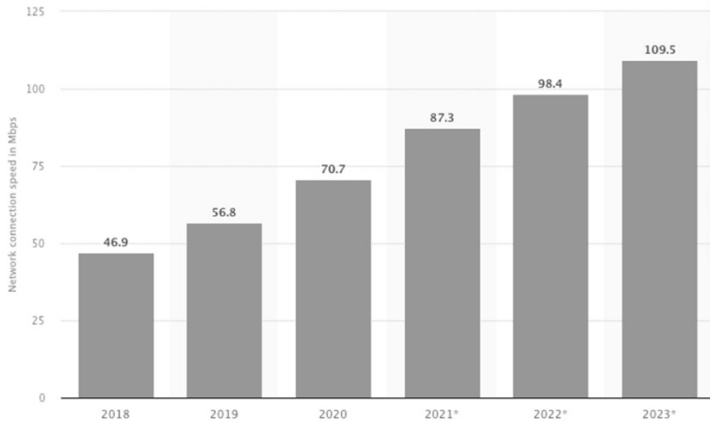## II.   Protect the internet from misguided "net neutrality" efforts

In 2015, the federal government adopted a policy that seemed to target a problem that didn't exist – "net neutrality." Net neutrality was supposed to prevent internet service providers (ISPs) from favoring or limiting internet traffic. It sounded good - in fact, large national companies and celebrities alike supported the idea - and predicted doom and gloom when it was repealed by the Federal Communications Commission (FCC) in 2017.

The problem is it was a heavy-handed, government regulatory approach that stifled competition and the freedom of the internet. And, to the extent that there was any issue in the first place, it would have been better dealt with using current laws that enforce competition.

Data shows that internet speed was improving before 2015 (pre-net neutrality) and continues to increase in this post-net neutrality world. Average broadband speeds in the United States have increased dramatically over the past six years. Average mobile internet speeds are up more than 300%.

There have been very few - if any - examples of ISPs blocking content since net neutrality was repealed. Unfortunately, the biggest factor that determines your internet speed is the place you live. Typically, more rural areas experience slower internet speeds. This is why we need more innovation - and less regulation - to expand and improve access. Policymakers should avoid misguided efforts to impose "net neutrality" and instead focus efforts to expand access to high-speed internet.
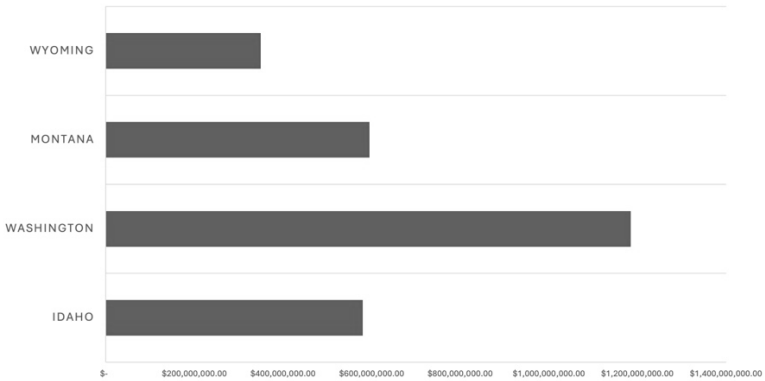
Average broadband speeds by year

III.   Expand broadband coverage in a responsible way

In today's rapidly evolving economic landscape, access to high-speed internet is critical for small businesses and education opportunities. As part of the Infrastructure Investment Bill and American Jobs Act (IIJA), passed in 2021, states are being provided billions of dollars by the federal government to help expand broadband.

For example, Idaho will have a big opportunity to expand broadband the right way with $583 million in federal funding. Neighboring states are also receiving substantial federal broadband funding with Washington state being allocated $1.2 billion, Montana $629 million, and Wyoming $348 million.

Federal broadband expansion funding by state

State	Funding
WYOMING	
MONTANA	
WASHINGTON	
IDAHO	

$- $200,000,000.00 $400,000,000.00 $600,000,000.00 $800,000,000.00 $1,000,000,000.00 $1,200,000,000.00 $1,400,000,000.00

As policymakers utilize these federal funds, they should focus on best practices to ensure they are taking a free-market approach that expands broadband to the greatest number of people in the most efficient way possible.

Why broadband expansion is important

Broadband expansion refers to efforts aimed at increasing the availability and accessibility of high-speed broadband internet services in areas where they are currently limited or unavailable. It involves extending the reach of broadband infrastructure to reach more communities, homes, and businesses. Broadband expansion is critical for several reasons:

- Digital accessibility: It ensures more people have access to the internet, bridging the digital divide. Without broadband access, individuals and communities can be left behind in terms of

education, employment, healthcare, and civic engagement.

- Economic development: Broadband expansion is seen as a driver of economic growth. It enables businesses to reach broader markets, facilitates remote work, and attracts investments in underserved regions.

- Education: Access to broadband is crucial for remote learning and education choice options, especially living in a post-COVID-19 world. According to the Federal Communications Commission, "Nearly 17 million school children lack internet access at home."

- Healthcare: Telehealth and remote healthcare services rely on broadband access. Expanding broadband can improve healthcare access, especially in rural and remote areas.

- Government services: Many government services and information are now provided online. Broadband expansion ensures citizens can access government services efficiently.

Five steps for successful broadband expansion

To help ensure a successful broadband expansion implementation, policymakers should follow these five steps:

- *Step one: Understand your market.* Broadband, with its high-speed internet capabilities, has become an indispensable tool, weaving its way into the very fabric of our daily lives and operations. Engaging industry experts can provide invaluable insights into the latest advancements, challenges,

and the promising future of broadband.

- *Step two: Find the right projects.* State and local governments often rely on comprehensive broadband mapping. These maps, developed in collaboration with the FCC or independent organizations, provide detailed insights into areas lacking adequate broadband access. For instance, Idaho's Broadband Task Force has been instrumental in identifying underserved regions, guiding the state's efforts in bridging the digital divide.

- *Step three: Maximize investments.* Traditional fiber optic networks, while effective, have been found to not always be the most cost-efficient solution for remote areas. Exploring alternative technologies, such as fixed wireless, satellite internet, or low-power wide-area networks, can offer more economical solutions for challenging terrains or low-density regions. Companies like SpaceX's Starlink are aiming to provide broadband access via low-Earth orbit satellites. This could be a game-changer for remote and underserved areas.

- *Step four: Don't treat federal suggestions as mandatory.* While federal guidelines are designed to ensure a uniform approach to broadband expansion, local legislators and implementers need to know they have the strategic autonomy to adapt these suggestions to the community's specific needs. A one-size-fits-all policy may not suit the diverse landscapes and demographic nuances of different regions. It is important to remember that federal guidance should serve as a starting point for collaboration rather than a checklist for compliance. For example, in response to a question about requiring a union workforce to expand broadband, Idaho told the federal government: "The

IOB has opted not to require applicants to have a unionized workforce."

- *Step five: Limit government overreach.* Excessive and cumbersome regulations can act as deterrents, hindering private initiative and inflating project costs. By simplifying regulatory frameworks and ensuring transparent, competitive bidding processes, local governments can pave the way for efficient and equitable broadband projects. Such measures not only make it more attractive for private companies to participate but also guard against potential government favoritism, ensuring a level playing field. Collaborations with utility companies to utilize existing poles, conduits, or even public buildings can significantly reduce project costs. Governments should not attempt to create their own broadband utilities or institute price caps.

Policymakers now have a generational opportunity to expand high-speed internet in their states with federal broadband funds to help improve digital accessibility, economic development, education opportunities, healthcare access, and government services. By focusing on these five steps government officials will be able to ensure a successful and cost-effective broadband expansion implementation in their states.

IV.   Be wary of constitutionally suspect content filter policies

Deciding when to let your child jump into that tech world is not easy. No matter how many rules your family may have, it is still natural to worry about what your children will find, or who they'll talk to, online. It has been more than a quarter century since Congress passed a law to protect kids online. In 1998, less than half the country was even

connected to the internet, and those who were likely used AOL. There was no Facebook. There was no social media.

Today, more than half of teenagers say it would be difficult to give up their social media time, according to Pew Research polling. Half of parents are worried about what their child is being exposed to online. Social media and the internet are very much mobile. It would be nearly impossible for companies to create 50 different oversight mechanisms to comply with every state's preference. And even if they did, teens and families move fluidly across state lines. A patchwork of laws would mean they are inconsistently protected.

Several state-specific restrictions have run afoul of the constitution

Some state efforts to protect children online have pointed to laws recently passed in Utah and Arkansas to restrict social media access. Both states created significant legal liability for certain types of content, mandated internet users hand over their sensitive, private data to confirm their identities, and in Utah's case, required certain internet services to be shut off every evening.

While these efforts were well-intentioned, all these bills have invited enormous legal scrutiny. For example, Utah, Arkansas, Ohio and California were all sued, and lost.

In Arkansas, U.S. District Court Judge Timothy Brooks agreed the legislation was an unacceptable affront to free speech, saying that the "loss of First Amendment freedoms, even for minimal periods of time, constitute[s] irreparable injury," and that there was "no compelling

evidence" that children would be protected by the legislation.[5]

A judge in California took the state to task for claiming their speech regulation bill would somehow improve children's privacy. Judge Beth Labson Freeman said that age verification mandates are "likely to exacerbate the problem by inducing...children to divulge additional personal information."[6] Every time these bills have been challenged, they have failed to withstand even basic constitutional scrutiny.

Censorship regimes like this were attempted before at the federal level in 1996 and struck down by the U.S. Supreme Court as unconstitutional.[7] There is no reason to believe that this time would be any different.

Ensuring our children are safe online is of critical importance. No sane person denies this. But an important question for every American to ask themselves is: Have I made my child safer by weakening their constitutional rights and empowering the government to be my co-parent? The answer is clearly not.

Tech companies have introduced various ideas to help with the effort as well. But it should be noted that filters, blockers, and screen time monitors already exist and don't come with draconian government mandates. States like Florida are implementing digital literacy and safety into school curricula.[8]

Improving outcomes for children and keeping them safe online requires work–work that is worth doing. But it is

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[5] NetChoice, LLC vs. Tim Griffin, United States District Court Western Division of Arkansas, August 31, 2023, available at https://netchoice.org/wp-content/uploads/2023/09/NETCHOICE-v-BONTA-PRELIMINARY-INJUNCTION-GRANTED.pdf
[6] Ibid
[7] "Reno v. ACLU," Columbia University, June 26, 1997, available at https://globalfreedomofexpression.columbia.edu/cases/reno-v-aclu-2/
[8] "HB 379 – 2023," Florida Legislature, available at https://www.flsenate.gov/Session/Bill/2023/379/BillText/er/PDF

important that the efforts lawmakers undertake lead us to our desired outcomes. Passing a bill that will inevitably be struck down as violating the First Amendment won't make a single child safer. Instead, policymakers need to do the hard work of finding policy solutions that place the family, not the government, at the center of a child's upbringing, and give them safety tools they can use free of government coercion or censorship.

Meanwhile, Congress needs to work with tech providers to create a standard for the national marketplace to ensure uniform protection for kids' online health and safety.

Can protection start at the app store?

One idea put forward by Meta – the parent company of Facebook – is to require parental consent for teens under 16 at the app store level. What does this mean?

Essentially, parents would have to approve any download of an app other than general items such as search or email. Age verification would be completed at the app store level – which would ensure kids are placed in the appropriate app experience. All apps would need to be treated consistently.

Another proposal would require ad targeting standards that would limit the personalization of ads to those under 16 to age and location only. This means advertisers and videos that may be questionable could not be targeted to kids under 16.

These are common sense proposals that recognize the complexity of the issue. There will likely be many more ideas on the way.

Policymakers can protect kids online while not stifling innovation and advancement in the coming years. A

patchwork of laws is messy. One national standard that puts parents, not the government, in the driver's seat, would be best.