



60       1. *The risks with respect to which the applicant intends to verify that artificial intelligence models or*  
61 *artificial intelligence applications implement mitigation measures sufficient to achieve acceptable levels of*  
62 *risk. For each such risk, the applicant shall submit (i) a proposed definition of acceptable levels of risk; (ii)*  
63 *metrics that are measurable and can be used to determine whether the acceptable level of risk defined by the*  
64 *IVO produces beneficial outcomes; (iii) target levels for the metrics, including data sources such levels are*  
65 *based on and methods for measurement; and (iv) a description of the evaluation and reporting protocol to*  
66 *determine whether verified models or applications meet the outcome metrics on an ongoing basis.*

67       2. *Proposed technical, operational, governance, and other mitigation requirements for developers or*  
68 *deployers, including procedures for pre-development and post-development, to ensure acceptable levels of*  
69 *risk, including ongoing monitoring of risks and assessment of mitigation efficacy.*

70       3. *Methodologies and sources used to evaluate the efficacy of mitigation requirements and updates to*  
71 *such methodologies and sources as needed.*

72       4. *Benchmarks, technologies, and audit methodologies proposed to assess developer and deployer*  
73 *adherence to mitigation requirements.*

74       5. *Approach to assessing continued good standing of a developer or deployer, including reviewing and*  
75 *evaluating the developer's or deployer's maintenance of artificial intelligence governance plans and policies,*  
76 *processes for risk monitoring and mitigation, whistleblower protections, and training for employees and third*  
77 *parties.*

78       6. *Disclosure requirements for developers or deployers related to detected risks, incident reports, or*  
79 *material changes to risk profiles, including both risks detected prior to verification and risks resulting from*  
80 *fine-tuning or modifying an artificial intelligence model or artificial intelligence application after*  
81 *verification.*

82       7. *Procedures for prescribing and verifying implementation of corrective actions to remedy an identified*  
83 *failure by a developer or deployer to do any of the following: (i) achieve an acceptable level of risk with*  
84 *respect to an artificial intelligence application or artificial intelligence model; (ii) comply with any other*  
85 *mitigation requirements promulgated by the applicant; or (iii) comply with the developer's or deployer's*  
86 *artificial intelligence governance plans and policy.*

87       8. *Standards and procedures for revoking verification for noncompliance with the applicant's mitigation*  
88 *requirements, failure to achieve acceptable levels of risk, or noncompliance with the developer's or*  
89 *deployer's artificial intelligence governance plans and policies.*

90       9. *Whether the applicant proposes market-specific verification and how plans are tailored to that*  
91 *segment.*

92       10. *Coordination with federal and state authorities.*

93       11. *Personnel qualifications.*

94       12. *Governance policies, sources of funding, and policies ensuring independence.*

95       13. *Any other information required by VITA.*

96       C. *VITA may license an applicant as an IVO if (i) such applicant demonstrates independence from the*  
97 *artificial intelligence industry and (ii) every element of the applicant's submitted plan is adequate to ensure*  
98 *that artificial intelligence models or artificial intelligence applications verified pursuant to such plan will*  
99 *mitigate to an acceptable level one or more risks including as defined by the metrics the applicant proposes.*  
100 *If verification is proposed by an applicant for a specific market segment, VITA shall evaluate the applicant's*  
101 *submitted plan accordingly. If VITA finds that an applicant's plan adequately mitigates some, but not all, of*  
102 *the proposed risks, the applicant shall be licensed to verify only those risks for which the plan is deemed*  
103 *adequate.*

104       D. *An IVO issued to an applicant by VITA shall specify the risks the IVO is authorized to verify and any*  
105 *market segments for which the license applies.*

106       E. *VITA shall establish reasonable application and renewal fees sufficient to offset administrative costs.*  
107 *Such fees shall be payable to VITA and used for (i) application processing, (ii) audits of IVOs, (iii)*  
108 *compensation of the Artificial Intelligence Safety Advisory Council, and (iv) general administration of this*  
109 *article.*

110       **§ 2.2-2034.4. License revocation.**

111       A. *VITA shall revoke an IVO license if it determines any of the following:*

112       1. *The IVO's plan is materially misleading or inaccurate;*

113       2. *The IVO fails to adhere to its plan in a way that materially impairs its responsibilities, including failure*  
114 *to adhere to the plan's procedures for ongoing monitoring of verified artificial intelligence models or*  
115 *applications and implementation of corrective action;*

116       3. *A material change compromises independence from the artificial intelligence industry;*

117       4. *Technological evolution renders methods obsolete for ensuring acceptable levels of the risk VITA has*  
118 *designated the independent verification organization to verify; or*

119       5. *A verified model or application causes material harm of the type the IVO defines an acceptable level of*  
120 *risk in order to prevent.*

121       B. *If VITA determines the public interest so requires, it may allow an IVO to cure the basis for revocation*

122 before terminating the license.

123 **§ 2.2-2034.5. Independent verification organization responsibilities; modifications to plans.**

124 A licensed IVO shall implement the approved plan submitted pursuant to subsection B of § 2.2-2034.3, which includes verifying artificial intelligence models or artificial intelligence applications. An IVO shall 125 revoke verification of an artificial intelligence model or artificial intelligence application if a developer or 126 deployer (i) fails to meet mitigation requirements, (ii) fails to cooperate with monitoring, (iii) violates 127 governance policies, or (iv) fails to implement corrective actions.

128 B. An IVO may (i) update or modify the following aspects of the approved plan: (a) technical and 129 operational requirements; (b) evaluation benchmarks; (c) audit methodologies; (d) governance plans; or (e) 130 any other element of its plan in order to take advantage of improved technology; (ii) address previously 131 discovered issues with its plan; or (iii) otherwise enhance the efficacy of its verification activities. An IVO 132 shall provide written notice to VITA of any material change to an approved plan, which shall describe the 133 change, the rationale for the change, and the IVO's basis for concluding that the change will better ensure 134 that verified artificial intelligence systems or artificial intelligence applications achieve acceptable levels of 135 risk. For purposes of this subsection, "material change" means any change that alters mitigation 136 requirements, acceptable levels of risk, benchmarks, audit methodologies, or governance plans in a manner 137 that could reasonably affect the level of risk posed by verified artificial intelligence systems or artificial 138 intelligence applications.

139 C. Within 180 days after receiving notice of a material change under subsection B, VITA may request 140 additional information from the IVO or issue a written notice disapproving the material change in whole or 141 in part if VITA determines that the change is inadequate to ensure acceptable levels of risk or is otherwise 142 inconsistent with this article or regulations promulgated pursuant to § 2.2-2012.01. If VITA disapproves a 143 material change, the IVO shall cease implementing the disapproved portion of the change and shall modify 144 its plan accordingly.

145 D. If VITA disapproves a material change under subsection C or determines that a material change 146 reveals that previously verified artificial intelligence systems or artificial intelligence applications may no 147 longer achieve acceptable levels of risk, the IVO, in consultation with VITA, shall assess whether the 148 previously verified artificial intelligence systems or artificial intelligence applications shall be re-assessed or 149 subject to additional mitigation requirements and shall revoke or condition verification as appropriate.

150 E. Nothing in this article shall be construed to require any developer or deployer to seek verification by 151 an independent verification organization for any artificial intelligence system or artificial intelligence 152 application.

153 **§ 2.2-2034.6. Annual reporting.**

154 A. An IVO shall submit an annual report to VITA including:

155 1. Aggregated information on the capabilities of the artificial intelligence models and artificial 156 intelligence applications evaluated by the IVO, the observed societal risks and benefits associated with those 157 capabilities, and the potential societal risks and benefits associated with those capabilities;

158 2. Adequacy of evaluation resources, technical capabilities, and mitigation measures to address observed 159 and potential risks;

160 3. Aggregated results of verification assessments;

161 4. Aggregated and anonymized compliance with prescribed remediation;

162 5. Anonymized descriptions of any additional, significant risk the IVO observed while conducting its 163 assessments, even if such risk is not one the IVO is licensed to verify;

164 6. A list of verified artificial intelligence systems;

165 7. A description of evaluation methods; and

166 8. Governance or funding changes affecting independence.

167 B. An IVO may redact trade secrets, sensitive business information, personally identifiable information, and other security-sensitive content.

168 C. Documentation used in reports shall be retained for 10 years. An IVO shall also retain all 169 documentation relating to its assessment and verification of artificial intelligence models or applications, 170 including ongoing monitoring and any subsequent corrective action, for 10 years following the relevant 171 activity.

172 D. VITA shall publish redacted versions of reports submitted by IVOs pursuant to this section online.

173 **§ 2.2-2034.7. Artificial Intelligence Safety Advisory Council; purpose, membership.**

174 A. The Artificial Intelligence Safety Advisory Council (the Advisory Council) is established as an advisory 175 council in the executive branch of state government for the purpose of advising and assisting VITA in 176 licensing and auditing IVOs. The CIO may delegate to the Advisory Council such powers and duties under 177 this article as the CIO deems appropriate, including participation in the evaluation of applications for 178 licensure, renewal, and revocation of licenses issued pursuant to §§ 2.2-2034.3 and 2.2-2034.4.

179 B. The Advisory Council shall have a total membership of up to 12 nonlegislative citizen members and 180 one ex officio member. Nonlegislative citizen members shall be appointed by the CIO and shall include at 181 least one citizen representative from a nongovernmental organization, educational and research institution,

184 *public policy institute, or consumer and business advocacy organization. All members of the Advisory*  
185 *Council shall be qualified to assess IVO plans. The Attorney General, or his designee, shall serve ex officio*  
186 *with voting privileges and shall serve a term coincident with his term of office. Nonlegislative citizen*  
187 *members shall serve terms of four years and no member may serve more than two consecutive terms.*  
188 *Nonlegislative citizen members may be removed for inefficiency, neglect, or malfeasance. A majority of the*  
189 *members of the Advisory Council shall constitute a quorum. Nonlegislative citizen members of the Advisory*  
190 *Council shall be citizens of the Commonwealth and shall serve without compensation but shall be reimbursed*  
191 *for all reasonable and necessary expenses incurred in the performance of their duties as provided in*  
192 *§§ 2.2-2813 and 2.2-2825. Funding for the costs of expenses of the members shall be provided by VITA.*

193 *C. Nonlegislative citizen members of the Advisory Council shall (i) refrain from any action or occupation,*  
194 *gainful or not, that is incompatible with their duties, including employment by a developer or deployer of*  
195 *artificial intelligence; (ii) refrain from owning or acquiring any equity or other interest, directly or indirectly,*  
196 *in companies whose business consists in significant part in developing or deploying artificial intelligence;*  
197 *and (iii) observe a one-year post-employment restriction from employment by any artificial intelligence firms*  
198 *or IVOs.*

199 *D. The Advisory Council shall keep a record of its proceedings, including any considerations relating to*  
200 *the issuance, refusal, renewal, or revocation of IVO licensure.*