Vinhcent Le
Technology Equity Legal Counsel
949.735.5900
vinhcentl@greenlining.org

Assembly Bill 13 (Chau):
The Automated Decisions Systems Accountability Act of 2021

This bill, sponsored by the Greenlining Institute, would help protect Californians from biased and inaccurate automated decision systems by creating the first statewide algorithmic accountability framework for high-risk public sector algorithms.

Automated Decision Systems (ADS) are Widely Used in the Public Sector

The public sector increasingly uses automated systems to make decisions and as a way to improve efficiency, implement complex processes and support evidence-based policy making. However, poorly designed ADS can create unfair, biased and inaccurate results, causing disproportionate harm to low-income families and communities of color while also undermining trust in the public sector.

Public Sector Algorithmic Systems Can Harm Disadvantaged Communities[1]

- Medicaid recipients in Arkansas lost access to home care, nursing visits and medical treatments, due to errors and inaccuracies in a Medicaid algorithm. Arkansas faced lawsuits because there was also no way to effectively challenge or understand the system's decisions.

- A $47m Michigan unemployment algorithm wrongly accused 40,000 people of fraud. Many accused were forced to pay heavy fines, declared bankruptcy or had their homes foreclosed upon.

- A market analysis algorithm used in Detroit to direct public housing subsidies, tax breaks and housing development redirected critical funding away from Detroit's poorest and blackest neighborhoods.

The Automated Decisions Systems Accountability Act of 2021

- AB-13 will help ensure that government algorithms making "high-risk" decisions are fair, free from unfair bias and actually work as advertised by encouraging ADS developers and agencies to complete an impact assessment before purchasing and deploying a high-risk automated decision system. These impact assessments will help ensure that the government deploys ADS that minimize unfair bias and can provide clear explanations behind an automated decision.

- Impact assessments are a best practice for ethical and responsible ADS use because they help public agencies address and mitigate the fairness, due process and disparate impact concerns that can arise in these systems.[2] Canada and the E.U., require assessments for high-risk public sector algorithms.

- AB 13 will also require California to identify and inventory all existing high-risk automated decision systems currently in use by state agencies.

[1] *See* The Greenlining Institute (2021), *Algorithmic Bias Explained: How Automated Decision-Making Becomes Automated Discrimination*, available at
https://greenlining.org/publications/reports/2021/algorithmic-bias-explained/
[2] *See* AI Now (2018), *Algorithmic Impact Assessments: A Practical Framework for Public Agency Accountability* available at
https://ainowinstitute.org/aiareport2018.pdf