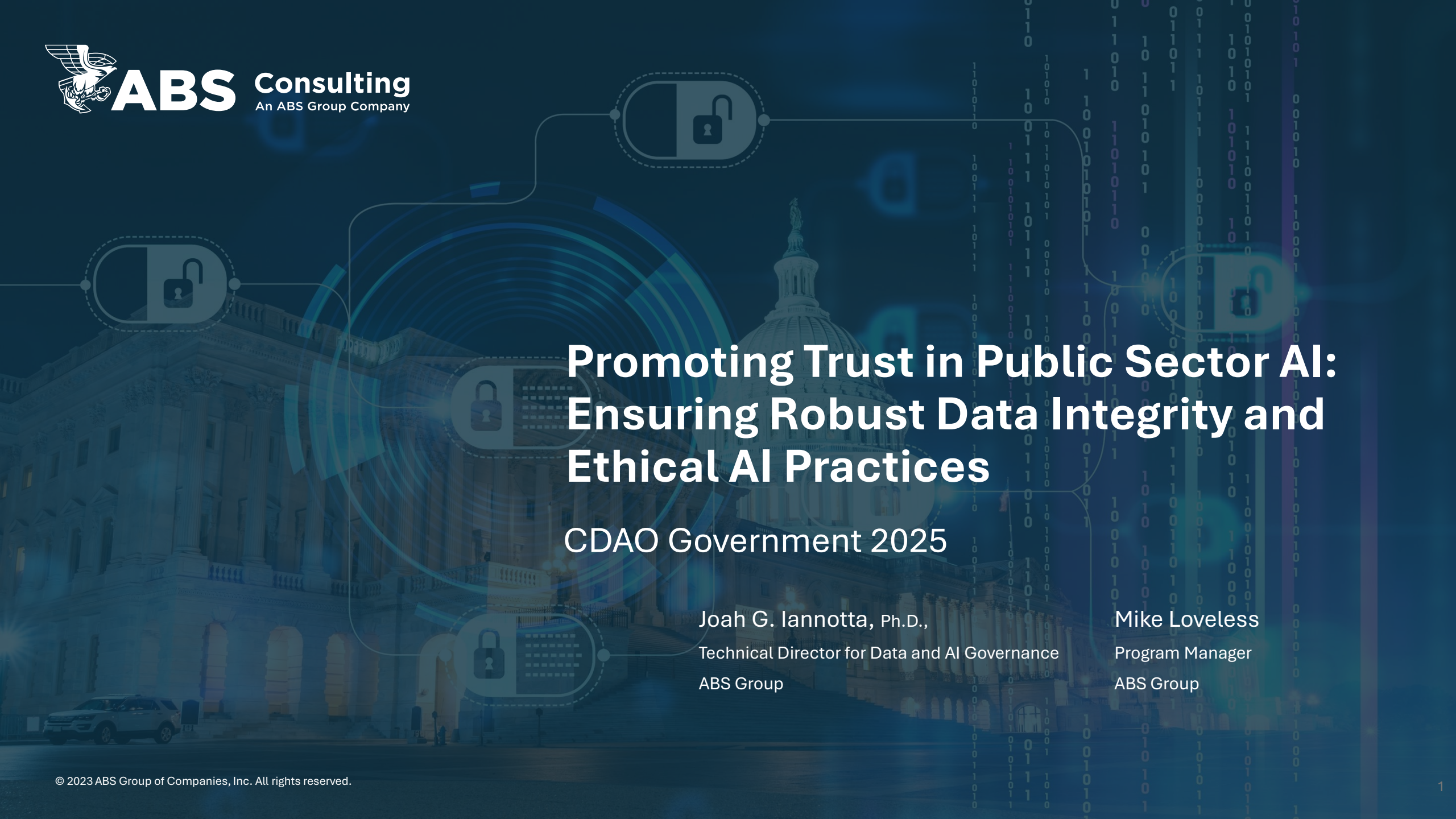

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Promoting Trust in Public Sector AI: Ensuring Robust Data Integrity and Ethical AI Practices

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Challenge of Public Trust in AI

Algorithm aversion is the tendency for people to distrust or reject decisions made by algorithms (including AI) after seeing them make mistakes, even if those algorithms are statistically more accurate than humans.

Automation bias is a related concept, but it more often refers to over-reliance on automated systems. However, when errors are noticed, people can swing to the opposite extreme and reject the technology entirely.

People are often less forgiving of errors made by machines than by humans.

Implications of Algorithm Aversion for Government Adoption of AI

Public Backlash (RISK)

⚠ Strength of public backlash in the event of an AI-related error

Improved Efficiency & Service Delivery (REWARD)

💡 Potential benefits of improved efficiency and service delivery

Balancing innovation with public trust is key to overcoming this challenge

Root Cause Analysis: The Absence of Clear Guidance

Public Skepticism & Lack of Guidance

Key Challenges:

- AI lacks a well-established framework for risk management
- Operational safeguards remain unclear

A Framework for Responsible AI Deployment

- The Federal government has established a framework for agencies
- M-25-21: *Accelerating Federal Use of AI through Innovation, Governance, and Public Trust*

New Framework for AI Deployments

On April 9th, the Office of Management and Budget (OMB) released Memo 23-21, titled "Accelerating Federal Use of AI through Innovation, Governance, and Public Trust.

While such directives to adopt emerging technology are not new, what makes M-25-21 different is a clear process for managing risk.

The memo prescribes a risk mitigation methodology for high risk ("high impact") AI deployments.

For lower risk AI, the memo provides guidance directing agencies to use risk management practices ***proportionate to the anticipated risk.***

Risk Mitigation for High-Impact AI

- M-25-21 presents a concrete methodology for risk mitigation for ***high-impact AI deployments***. Some of the key steps include:
    - pre-deployment testing,
    - ongoing performance monitoring, and
    - strong data governance centered on data quality and traceability
- These steps are best practices that any AI program should use regardless of industry when deploying AI deployments that will guide decisions impacting customers.

"AI is considered high-impact when its output serves as a principal basis for decisions or actions that have a legal, material, binding, or significant effect on rights or safety."

Approach for Other AI Deployments: Proportionality

M-25-21 is clear that ***not all AI deployments require these steps***.

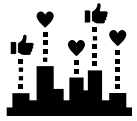
AI deployments that do not meet the definition of **high-impact**—for instance, those focused on improving internal operational efficiency—would not need to follow these mitigation steps.

For other AI deployments, agencies have flexibility to scale down the risk management practices based on the system's impact and operational context. Which ensures that resources are focused on mitigating risks where they are most critical.

Guidance for Building Public Trust

As part of risk-mitigation for high-impact AI, the memo requires two actions that can directly affect the public's trust in AI:

TIMELY HUMAN REVIEW OR APPEALS PROCESS OF ADVERSE IMPACTS| Ensure that individuals affected by AI-enabled decisions have access to a timely human review and an opportunity to appeal any negative impacts. This includes adapting existing appeals or human review processes to cover decisions made with AI, ensuring these processes are accessible and not overly burdensome.



PUBLIC FEEDBACK MECHANISMS| Provide options for the public and end-users to submit feedback on AI use cases. Feedback should be incorporated into the design, development, and use of AI systems to inform agency decision-making and improve transparency and accountability.

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Questions