

Memorandum

To: Clients & friends

From: Chas Schellpeper
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Subject: Governor's AI Task Force - Meeting Notes

I. Governor's AI Task Force Hearing on March 4, 2024

Watch here: <https://invintus-client-media.s3.amazonaws.com/2789595964/c373970cc9fa6665517df98a721284ebebe4c5f8.mp4>

Summary: The Governor's Task Force on Workforce and Artificial Intelligence held its [fourth meeting](#) on March 4th. Updates were provided by Wisconsin Department of Workforce Development Secretary Amy Pechacek, Department of Administration Secretary Kathy Blumenfeld, and Wisconsin Economic Development Corporation Secretary and CEO Missy Hughes. Guest speakers included Anupam Khare – Senior Vice President and Chief Information Officer for Oshkosh Corporation, and Amanda Ballantyne – Chief Executive Director of the AFL-CIO Technology Institute. Mr. Khare provided commentary on how artificial intelligence is automation's next frontier, as well as Oshkosh Corp.'s current use of and plans for AI. Ms. Ballantyne spoke about AFL-CIO's work on artificial intelligence from an organized labor perspective. The meeting concluded with presentations from the task force's working groups on education, government, workforce development, and economic development and their guiding principles and broad policy areas being assessed.

Wisconsin Department of Workforce Development Secretary Amy Pechacek

- Identified the overarching principles by which the task force is going to continue its work:
 - Promote ethical decision making around best practices and AI development.
 - Apply this framework of ethical decision making across education, government, workforce development, and economic development.
 - Use the overarching ethical principle when making risk assessments and when thinking about policies and laws and other things that will have societal impacts in Wisconsin.
 - Ensure that workers have a seat at the table for decisions about leveraging AI to strengthen state's workforce and competitive edge.

Wisconsin Department of Administration Secretary Kathy Blumenfeld

- Three principals through which DOA and the Equity and Economic Opportunity Subcommittee are looking at AI:
 - How can AI be governed to ensure that it's used properly?

- How do we provide education to make sure that everybody has equitable access to the tools that are available now and will continue to be available?
- How do we optimize this to make sure that we're using it and enabling all that we can to move forward?
- These three pillars may be helpful to consider as the task force develops its report, and as departments develop budget priorities and budget requests, and as they look to the future for tackling both the pitfalls and the potential of AI.

Wisconsin Economic Development Corp. Secretary & CEO Missy Hughes

- Recently met with a company that conducts research to help dairy farms determine whether a cow is healthy or not.
- The company developed a test and they've been on the farm for four months doing testing. They have 16,000 tests with much data in those tests.
- They told Sec. Hughes they can't afford an AI engineer to utilize the data in a way that AI learning could be applied to the data points.
- Is there a way for the state to step in and help that company take this data they're developing to make a greater impact on cow health?

Anupam Khare – Oshkosh Corporation's Senior VP and CIO

- Humans have been using industrial automation in their personal and business lives for quite some time. Automation enhances human capabilities like moving, lifting, shaping and assembling.
- For example, humans can walk or run, but we use cars, trains, and planes to go to places faster. That's how Oshkosh Corp. sees technology in manufacturing.
- Oshkosh uses robots for welding and painting to do many of the most difficult jobs. Has adopted these technologies and transitioned to a use of these technologies.
- Sees AI in a very similar fashion and extension of capabilities. However, capabilities which AI enables or enhances are different from what is done by industrial automation. For example, automating tasks, predicting, seeing and having conversations with machines.
- By adding cognitive capabilities on the right-hand side with industrial automation capabilities on the left side, companies will see a significant leap in productivity.
- Oshkosh Corp. has taken a staged approach to AI.
 - Stage one was simple jobs automation.
 - Stage two was having a virtual/digital assistant for employees contacting the service desk, customers contacting the service center, etc.
 - Stage three is predictive insights and analyzing patterns.
 - Stage four is generative AI to create content, advance the intelligence of the organization.
- Employees have been the ones identifying tasks that can be automated.
- Have been using bots to write emails to parts suppliers to chase down the right parts, went from 100 hours a day on follow up to less than 5 minutes using bots.
- Another example is optimization of logistic costs. Oshkosh orders millions of parts each year delivered in shipping containers. To optimize container utilization, a packaging engineer must go through a time intensive manual process.
- Now have adopted an advanced analytics model, known as a parts alignment and calculating tool, that has enhanced this process. Takes data directly from the ERP systems, removing

the need to manually enter product dimension and uses AI to analyze thousands of parts at one time. Considering every potential box orientation, which determines the optimal container utilization.

- Seeing the most potential for AI in task automation and analytics. Also training employees on how to partner with AI, and making clear that AI is an assisted technology that employees should partner with.

Amanda Ballantyne – Chief Executive Director of the AFL-CIO Technology Institute

- Governments and businesses must work with the labor movement to ensure the implementation of AI systems has a net positive for working people and that working people are gaining in the positive productivity benefits while also making their jobs better.
- AI is broadly an assistive technology, but it's also true it will create industry speed ups where individual workers must manage more apps and data driven technologies and doing less of the type of work that they may have done before.
- This will lead to not complete wholesale job loss in sectors, but firms needing fewer workers to do the same task. These technologies will also produce more jobs. The question is whether they produce good jobs.
- Algorithmic management is a significant trend with both predictive and generative AI systems. The poster child example for algorithmic management is an Amazon warehouse where workers are wearing devices that are tracking every move that they make across the shop floor, how quickly it takes them to move boxes, how long they spend in the restroom, etc.
- People should be concerned this type of algorithmic management could be used in more licensed professions as well.
- Want to create a world in which these technologies boost and benefit workers and create more productivity. Collective bargaining has a key role to play in ensuring that workers not only are maintaining high job quality, but also maintaining their share of work.
- Questions being asked by organized labor:
 - How do we set up workforce development and training systems that help workers navigate what could be significant changes in the economy, whether they need to upskill to remain competitive in their existing job, or whether they need to be thinking about transitioning to a new field entirely?
 - How do you maintain a family wage through such a transition?
 - How do we make sure that this technology is making our jobs and our lives better?
- From a public policy perspective, priorities concerning AI and labor should be:
 - Increase access to collective bargaining. There are so many use cases around AI technology that broad regulation can't always get to every single use.
 - The collective bargaining process gives workers a voice, a chance to ask questions about the type of technology that's being used in the shop, what that technology can and can't do. And then those can be subjects of bargaining. Often, the engineers, companies, and managers who are developing AI systems aren't talking to workers and don't value the end-user knowledge that workers have.
 - Government's role in procurement. Who owns the data being collected by the systems? How are we working with companies to ensure the data that's used for

these systems is trustworthy and not integrating data in ways that violate civil rights and civil liberties?

- Focus on civil rights outcomes and civil liberties outcomes and the impact of these systems on democracy and elections.
- Recent collective bargaining victories for labor related to AI:
 - Writer's Guild won agreements that AI can't be considered a writer for the purpose of writing credits, which impacts the royalty structure in the industry. It means that AI cannot replace human writers for the purpose of film and television. The unionized writers also can't be forced to use AI tools if they don't want to.
 - Communications Workers of America with their video gaming contract at ZeniMax, won advanced notification when AI or automated technology is introduced, as well as the ability to negotiate and bargain over any changes that will have on their work. Makes this type of technology a mandatory subject of bargaining.

Education Working Group

- Guiding principles of the task force's education working group:
 - Start the workforce of the future through the K-12 experience with equitable access and fresh initiatives that boost digital literacy, technological and human centered skills across grade levels and integrated within all areas of study.
 - Want higher education in Wisconsin to expose students to new technologies while increasing opportunities for students to specialize in AI and other digital skills.
 - Identify the key points of collaboration and communication across all Wisconsin educational institutions in order to combine resources and share best practices that uplift one another's efforts.
 - Wisconsin's educational institutions must promote communication and educational initiatives for the public around AI, as well as collaboration with industry and workforce development partners, to uplift one another's efforts and best prepare the workforce for tomorrow.
- Broad policy areas being assessed by the education working group:
 - Provide the necessary resources as determined by Wisconsin educational institutions to invest in career curriculum development or curriculum enhancement.
 - Invest in educator recruitment and retention efforts to increase instructional capacity, and invest in educators' professional development in targeted curriculum areas.
 - Offer pathways for the existing workforce to affordably upskill, especially in high demand fields.
 - Investments in schools to build infrastructure to support education and research in AI.

Government Working Group

- Guiding principles of the task force's government working group:
 - Governments have a critical responsibility for managing and protecting sensitive personal data, establishing critical infrastructure and building the systems essential to maintain democracy.
 - Make strategic investments in AI that promote job opportunities, prioritize equity, and advance AI technology to enhance workers capabilities rather than replace workers.

- Ensure partner input and stakeholder engagement when developing and implementing government led AI initiatives.
- Broad policy areas being assessed by the government working group:
 - Establish the role of a chief data and privacy officer with authority across state government to help the state to monitor AI implementation, connect data sources across state government, develop Wisconsin's data policies and ensure compliance.
 - Provide equitable affordable access to broadband through state funding for broadband expansion to ensure high speed broadband is available and affordable everywhere including rural areas.
 - Invest in public projects that foster data and AI readiness.
 - Establish comprehensive communications plan that helps build trust and increase awareness.

Workforce Development Working Group

- Guiding principles of the task force's workforce development working group:
 - Foster equitable access to AI related to employment and training.
 - Improve and sustain a robust labor market data collection system to better track AI influence on skills, occupations and industries on career pathways.
 - Ensure all partners have a seat at the table in developing and supporting the transition to AI with assistance or funding from the government.
- Broad policy areas being assessed by the workforce development working group:
 - Fund training, including work-based learning and apprenticeships for workers displaced or otherwise affected by AI in the workforce.
 - Require data metrics to assess AI impact on the labor market and shifts on career pathways.

Economic Development Working Group

- Guiding principles of the task force's economic development working group:
 - Support the development and implementation of AI tools in Wisconsin to promote widespread economic benefits across the state.
 - Ensure equitable access to opportunities across both urban and rural areas, as well as across different kinds of organizations.
 - Foster the growth of a technology ecosystem where information is shared widely, and productive partnerships are forged easily.
- Broad policy areas being assessed by the economic development working group:
 - Leverage the Wisconsin Economic Development Corporation to provide funding to businesses to adopt new tools for digitization, data security and application.
 - Provide support to innovation hubs and industry incubators to help foster the growth of new technologies and create new partnerships, both partnerships between businesses as well as individuals who might have a great idea for a business but might not have the skills to develop that idea into a business.
 - Create forums where businesses and community leaders can learn about AI and share their experiences with technological change.