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Artificial Intelligence in State Government: Programs, Tools and Impacts

Navigating AI Adoption to Protect Public Employees and Strengthen Public Services

I. Introduction

Artificial intelligence has advanced at a rapid pace. Tools like large language models, predictive and generative AI, and automated decision-making systems are being integrated into both private and public sector operations. In many cases, this means large-scale changes coming for public employees.

This report examines the current landscape of AI adoption in state governments, highlighting legislative activity, pilot programs and practical applications across the country. It also identifies critical policy and capacity gaps that could threaten jobs and working conditions if left unaddressed. By understanding where and how AI is being deployed, unions can better advocate for training, staffing protections and collective bargaining provisions that ensure this technology strengthens public services while safe-guarding the workers who deliver them.

II. Definitions

Artificial Intelligence (AI): Technology designed to perform tasks that typically require human intelligence to accomplish, like performing an analysis of information or generating content independently.[1]

Generative AI (GenAI): A type of artificial intelligence that can learn from and mimic large amounts of data to create content such as text, images, music, videos, code, and more, based on inputs or prompts.

Predictive AI: A type of artificial intelligence that uses statistical analysis and machine learning to identify patterns, anticipate behaviors, and forecast upcoming events. Organizations use predictive AI to predict potential future outcomes, causation, risk exposure, and more.

Large Language Model (LLM): A type of artificial intelligence trained in massive amounts of text to understand and generate human-like language. It can answer questions, write contet, summarize information, translate languages, and more.[2]

Note: All GenAI tools discussed in this report, including Gemini, ChatGPT and Copilot are LLMs.

Use Case: A specific task or problem that AI is used to solve. It shows how AI can be applied in real-world situations.[3]

1 https://www.nasa.gov/what-is-artificial-intelligence/
2 https://www.mckinsey.com/featured-insights/mckinsey-explainers/what-is-generative-ai
3 https://www.ibm.com/docs/en/product-master/12.0.0?topic=processes-defining-use-cases

States and Territories Included: This report covers all 50 U.S. states, as well as Puerto Rico, the U.S. Virgin Islands and Guam.

III. What Paths Are States Taking?

The 2025 budget reconciliation bill (H.R. 1, also known as the One Big Beautiful Bill Act) originally proposed a 10-year moratorium on state and local regulation of AI. Lauded by the Trump administration as a "generational opportunity to restore America's economic strength,"[4] the moratorium attempted to stifle any fighting chance state and local governments had to protect constituents in the face of Big Tech's growing power. The moratorium was stricken from the bill by the Senate before it was signed into law on July 4 in a rare but crucial win for Democrats.[5]

Without the moratorium in place, state governments are continuing to confront the advancement of AI in a variety of ways. Some lead with legislation, publishing guidelines for use of GenAI tools and convening task forces to assess the impact and potential use of these tools. In 2024 alone, states considered more than 150 bills related to AI in government operations, and over 30 states issued guidance on AI use within state agencies.[6] These measures often address requirements such as impact assessments, oversight mechanisms, and the creation of pilot projects. Despite this activity, a 2025 Pew/National Conference of State Legislatures report highlights only 24 percent of state chief information officers have implemented data governance frameworks for GenAI, leaving a significant policy gap in how states manage AI risks.[7] Figure 1 in the Appendix offers a current inventory of state AI legislation and published guidelines.

Some states like Alaska and Pennsylvania have partnered with large technology companies, including Microsoft and OpenAI to launch pilot programs with state employees. These programs explore a set of use cases and sometimes allow participants to use AI tools at their own discretion to promote efficiency and simplify their daily tasks. Section IV spotlights seven states that are leading this charge.

State governments often mandate that agencies using AI tools must maintain an inventory of use cases for public records. A 2024 survey from the National Association of State Technology Directors, which included responses from 42 states, found that cybersecurity is the most common area where state governments are deploying AI. The survey reported that 67 percent of states have completed an inventory of existing AI applications, while 33 percent have not. Common use cases include chatbots (50 percent), office productivity tools (36 percent), and code development (26 percent). Although 62 percent of respondents are developing AI procurement language, only 9 percent have such policies in place and 60 percent reported having no AI-related partnerships with other jurisdictions.[8]

4 https://www.whitehouse.gov/articles/2025/06/one-big-beautiful-bill-will-protect-american-jobs-unleash-economic-growth/
5 https://law-ai.org/the-ai-moratorium-the-blackburn-amendment-and-new-requirements-for-generally-applicable-laws/
6 https://www.ncsl.org/technology-and-communication/artificial-intelligence-in-government-the-federal-and-state-landscape
7 https://www.pew.org/de/research-and-analysis/articles/2025/01/15/states-governments-seek-to-leverage-ais-promise-while-mitigating-its-hazards
8 https://www.govtech.com/artificial-intelligence/where-are-states-using-ai-survey-says-cybersecurity

Many states have adopted tailored AI tools in full force. Tailored tools are distinct from GenAI platforms like ChatGPT and Microsoft Copilot because they typically serve one specific purpose and automate a single task that may require tedious attention from an employee. Predictive policing tools using AI have been adopted by eight states thus far, with others using tailored AI tools for detecting Medicaid fraud and operating chatbots for constituent use.[9] Figure 2 in the Appendix offers an inventory of general AI tools (ChatGPT, Copilot, Gemini, etc.) and tailored AI tools currently used by states according to available data.

The pace of AI integration in state governments is accelerating, but its trajectory is uneven and often dictated by the balance between innovation and oversight. States with strong governance frameworks, dedicated funding, and technical capacity are moving quickly to deploy AI tools that improve efficiency and service delivery. Others remain cautious, either constrained by limited resources or wary of introducing technologies without clear ethical and operational guardrails. This divergence underscores the need for a coherent approach that balances experimentation with risk management.

AI's potential to streamline operations, cut costs and expand service reach is matched by its capacity to exacerbate inequities, introduce bias into decision-making, and erode public trust if deployed without transparency and strong labor protections. For unions, the challenge is not only ensuring that AI tools are implemented responsibly, but also that they are used to enhance—not replace—the skills, expertise and job security of public employees.

IV. State Spotlights

Many states have explored AI's capabilities. In most cases, state employees started using tools out of curiosity before any guardrails were implemented. Eager to keep pace with the rest of the world and serve their constituents as best they can, citizens and state employees alike approached AI advancements with cautious inquisition. The speed of technological advancements paired with pressure from employees encouraged state governments to launch pilot programs, partnerships and incentives for state employees to engage with AI technology according to predetermined AI guidelines in each state. In this section, several states at the forefront of this effort are reviewed.

Alaska

Alaska was one of the first states to implement artificial intelligence in statewide government operations. Though there is no formal AI policy outlined by the state, the strategic vision for the Alaska Office of Information Technology provides a road map that public employees can look to when determining where the state is heading.[10] Alaska's Legislature outlined plans for a small-scale pilot program in March 2025 aimed at training state employees to use Microsoft Copilot. The training focuses on best practices and potential use cases for a wide variety of state agencies. While data privacy concerns were voiced by legislators and state employees alike, one critical distinction assuaged their fears: A new version of Microsoft Copilot launched in December 2024 adds enhanced security features specifically designed for government use.[11] This tool is called Copilot Government Community Cloud, or GCC.

9 https://www.ncsl.org/civil-and-criminal-justice/artificial-intelligence-and-law-enforcement-the-federal-and-state-landscape
10 https://oit.alaska.gov/media/1332/office-of-information-technology-strategic-vision-v3272025.pdf
11 https://citizenportal.ai/articles/2557813/Alaska/State-initiates-AI-Copilot-pilot-program-to-train-employees

Microsoft's Copilot GCC uses large language models (LLMs), with input government data to "enhance productivity," according to the product's description.[12]. Like Alaska, many states that already use the Microsoft Office suite are looking into Copilot GCC as an easily integrated tool with Word, PowerPoint, Outlook, Teams and Excel.

With advancing technology in mind, Alaska's state employees continue training using Copilot GCC. GenAI is supporting a streamlined customer service experience for constituents, promoting cost efficiency by identifying areas for improvement, and mitigating public security threats, among other uses. Few concerns have been officially reported about job loss or alteration; the government appears more focused on targeted upskilling to incorporate GenAI rather than replacing employees.

Colorado

Colorado adopted a statewide GenAI policy in September 2024. Any agency using GenAI in its operations must undergo an "intake and risk assessment" by the Colorado Office of Information Technology. Agencies and individuals using GenAI in their work are bound by a series of guidelines outlined by the OIT, ensuring the technology's ethical and safe application.[13]

Colorado piloted the use of Google's Gemini tool in early 2024. Colorado was already using Google Workspace tools in state agencies, so Gemini was selected in an effort to integrate it into existing work practices. The pilot included 150 employees across 18 state agencies who used the tool for a variety of use cases, including writing emails, accessing records and monitoring use of allotted agency resources. Pilot participants reported increased productivity and creativity, with the AI tool allowing them to spend less time on mundane tasks and further engage in meaningful, fulfilling endeavors at work. Formal integration of the tool into state agencies is pending.[14]

Public libraries in the state are using Microsoft Copilot to analyze surveys, reach more community members, access records quickly and monitor material borrowing. The tool is also being used to craft emails, a use case that was received particularly well by the staff at Colorado's Arapahoe Libraries. Above all, however, librarians emphasized that Copilot allowed them to better serve their diverse and ever changing community.[15]

Connecticut

In Connecticut, state agencies are mandated to report their use of AI for inclusion into the Artificial Intelligence System Inventory. This inventory is available to the public and offers a look at how Connecticut agencies are using AI.[16] Use cases range from the Department of Insurance's tool KIRA, which "reviews statutory or regulatory language against forms filed by industry to ensure compliance with those statutes and regulations"[17] to the Department of Transportation's use of Copilot to draft emails.

12 https://adoption.microsoft.com/en-us/copilot/gcc/
13 https://oit.colorado.gov/ai
14 https://innovate-us.org/implementing-ai-responsibly-in-the-public-sector-insights-from-colorado-s-ai-case-inventory-and-pilot
15 https://www.microsoft.com/en/customers/story/1780503635998577611-arapahoe-libraries-copilot-for-microsoft-365-nonprofit-en-united-states
16 https://data.ct.gov/Government/Executive-Branch-Artificial-Intelligence-System-In/8kut-uzcx/data_preview
17 Ibid.

Connecticut's Responsible AI Framework is one of the nation's most comprehensive AI policies. It was adopted in 2024 after a task force offered recommendations to the state Legislature.[18] This guidance has been used to develop an AI awareness pilot with the Connecticut Department of Education. Digital citizenship curricula have been launched in seven Connecticut school districts since February 2025. Many states have adopted a similar model, testing out AI in schools to produce technologically conscious students.

Florida

In Florida, a more decentralized approach to AI implementation is prevailing. Instead of a large-scale state partnership or pilot program, state agencies are developing their own tailored AI tools. In 2024, Florida's state Legislature authorized the State AI Disclosure Mandate, which requires any state agency using AI to disclose the tool and its use to the public.[19]

Florida's Agency for Healthcare Administration has developed an AI tool for Medicaid analysis, cutting down on the time it takes to determine coverage eligibility. The Department of Environmental Protection is implementing AI within the Florida Geospatial Open Data Portal. The Division of Emergency Management is also using AI to detect invoice discrepancies, and the Florida Department of Revenue is implementing robotic process automation to help residents fill out certain tax forms and power chatbots to help navigate child support processes.[20]

Each tailored AI tool is overseen by the agency itself, guided by the statewide regulations and disclosure policy. This is a departure from the approaches of other states, which have initiated partnerships with GenAI tools like Gemini and Copilot. But Florida's IT Budget and Policy Subcommittee explored the possibility of implementing larger-scale GenAI tools in March 2025. OpenAI's ChatGPT was the focus of these discussions, as representatives met with OpenAI's head of state and local government affairs, Traci Lee. Though no concrete action was taken after the meeting, Florida now joins many other states exploring the possibility of integrating GenAI tools into its state agencies.[21]

New York

New York's Office of Information Technology Services has offered one of the most comprehensive IT policies in the country. The Acceptable Use of Artificial Intelligence Technologies policy, last updated in 2025, establishes clear guidelines for state agencies and employees who want to integrate AI into their duties. It includes stipulations about human oversight and mandates public transparency, so constituents are adequately informed of the use of these technologies. Privacy and security are highlighted in the policy as the most important concerns when using AI.[22]

Though New York has not launched any large-scale pilots or partnerships with technology companies, it is on the frontlines regulating AI implementation and guiding state employees toward its effective implementation. The policy offers examples of acceptable use cases and warns against sharing sensitive information or agency plans with artificial intelligence tools because security cannot be adequately confirmed.

18 https://portal.ct.gov/-/media/OPM/Fin-General/Policies/CT-Responsible-AI-Policy-Framework-Final-02012024.pdf
19 https://www.flsenate.gov/Laws/Statutes/2024/0106.145#:~:text=2024%20Florida%20Statutes%20(Including%20 2025C)&text=(3)%20The%20disclaimer%20must:,vertical%20height%20of%20the%20communication
20 https://www.govtech.com/artificial-intelligence/florida-lawmakers-weigh-using-ai-to-find-waste-smooth-process
21 Ibid.
22 https://its.ny.gov/system/files/documents/2025/05/nys-p24-001-acceptable-use-of-artificial-intelligence-technologies.pdf

North Dakota

In May 2025, North Dakota launched a pilot program training 70 state employees on the use of Microsoft's Copilot GCC tool. The program was designed using the state's AI policy, adopted in 2024.[23] The pilot was part of Microsoft's TechSpark initiative, which also offers a startup hub and accelerated training in Copilot's capabilities. The 70 participants in the pilot program invested more than 900 hours and completed over 300 LinkedIn learning courses, demonstrating an eagerness to get ahead of new technology and a desire to upskill the workforce. Several tools were developed using the pilot program, including a North Dakota government chatbot for use by constituents, a legislative action tracker, and an AI research assistant for state employees.[24]

North Dakota universities are responding to the new government focus by launching AI talent pipeline programs and cybersecurity curricula. Businesses in North Dakota could benefit from grants being awarded for AI innovation as well. A $1.5 million Microsoft grant to Grand Farm will support the state's engagement in sustainable agriculture solutions powered by AI, and startup hub Emerging Prairie is also receiving funding to stimulate innovation.[25]

North Dakota's pilot program, educational approach, and commercial investment into AI offers one possible state approach to emerging technologies: diving in headfirst. With pilot programs like this one, state employees are offered a voice in the process of AI adoption and a front row seat to its potential impact on them and their colleagues.

Pennsylvania

Pennsylvania's comprehensive artificial intelligence policy was last updated in August 2025.[26] It establishes basic guidelines for AI integration by employees of the commonwealth. In March 2025, Gov. Josh Shapiro announced the results of a yearlong pilot program using OpenAI's ChatGPT. Some 175 employees across 14 agencies learned how to integrate the GenAI tool into their daily lives at work, from cutting waste to writing emails and accessing records. Impressively, 85 percent of the participants reported a positive experience despite less than half having used ChatGPT before the program.[27]

Other findings from the pilot did indicate that ChatGPT is not the right tool for all jobs, and human oversight is still absolutely necessary. But the success of the pilot has ushered in efforts to acquire AI tools for widespread use in the commonwealth's agencies. AI training opportunities will be expanded, according to a spokesperson for the Pennsylvania Office of Administration. It is unclear whether OpenAI will remain the tool of choice for Pennsylvania's state employees, but further training opportunities that have since been announced are primarily focused on the ChatGPT tool.[28]

23 https://www.ndit.nd.gov/artificial-intelligence-guidelines
24 https://www.nucamp.co/blog/this-months-latest-tech-news-in-fargo-nd--saturday-may-31st-2025-edition
25 Ibid.
26 https://www.pa.gov/content/dam/copapwp-pagov/en/oa/documents/policies/it-policies/artificial%20intelligence%20policy.pdf
27 https://www.pa.gov/agencies/oa/newsroom/icymi--shapiro-administration-s-generative-ai-pilot-for-state-wo
28 Ibid.

V. Conclusion and Recommendations

The rapid expansion of artificial intelligence in state government is no longer a distant possibility. AI is here, shaping daily operations and influencing the work of public employees across the country. While some states have approached this shift with care, training programs and accountability measures, others are moving forward with minimal oversight, risking unintended consequences for both service quality and the workforce.

For unions, the stakes are clear. Without strong labor protections and union involvement in decision-making, AI can become a tool for cost-cutting at the expense of jobs, wages and working conditions. Even in states where displacement is not the immediate goal, automation can lead to the erosion of professional skills, the deskilling of public service work, and increased reliance on technology providers who are not accountable to the public.

The uneven landscape—where some states are pioneering thoughtful integration and others are experimenting without guardrails—underscores the need for a coordinated approach by labor. This must include:

- Contract language that ensures AI augments, not replaces, human labor.
- Training programs so employees can work confidently alongside new tools.
- Transparency requirements for every AI use case, with public access to impact assessments.
- Ongoing worker involvement in decisions about AI adoption.

AI has the potential to improve efficiency and constituent relationships, but only if its deployment respects the expertise of public employees and strengthens—not undermines—the services communities rely on. Protecting jobs, ensuring fair implementation, and demanding accountability from both government and tech vendors will be critical to ensuring that AI serves the public good, not just the bottom line.

Appendix

Figure 1: AI Policies/Guidelines Published by U.S. States and Territories

State	Policy/Resolution
Alabama	GenAI Acceptable Use Policy
Alaska	Strategic Vision for IT Office
Arizona	Statewide AI Procedure
Arkansas	N/A
California	April 2025 EO from Gov. Gavin Newsom
Colorado	CO's Guide to AI
Connecticut	Responsible AI Framework
Delaware	Delaware AI Commission releases reports yearly to recommend AI usage and warn of risks
Florida	AI Advisory Council & Mandated Disclosure for State Agencies when using AI
Georgia	State Guiding Principles for AI Use
Hawaii	Data and AI Guiding Principles
Idaho	Artificial Intelligence Working Group—Meeting June 26, 2025
Illinois	State Government AI Act (General Protections Against AI Discrimination in Employment and Workplaces)
Indiana	Indiana AI Policy
Iowa	Iowa AI Policy
Kansas	Kansas OIT AI Policy
Kentucky	Newly enacted OIT AI Policy
Louisiana	State-Driven AI Research Institute (no overarching policy implemented)
Maine	Maine State AI Policy
Maryland	2024 EO: Catalyzing the Responsible and Productive Use of AI in Maryland State Government
Massachusetts	Enterprise Use and Development of GenAI Policy (2025)
Michigan	AI Guiding Principles
Minnesota	Public Artificial Intelligence Services Security Standard
Mississippi	Executive Order on AI Policy
Missouri	N/A

Montana	Right to Compute Act: House Bill 178, signed on May 5, 2025, limits the use of AI systems by Montana's government, prohibiting their use for cognitive manipulation, discriminatory classification, malicious purposes, or public surveillance, with exceptions for locating missing persons and specific legal compliance.
Nebraska	AI Policy
Nevada	AI Policy for Responsible Use
New Hampshire	New Hampshire State Government Code of Ethics for the Use and Development of Generative Artificial Intelligence and Automated Decision Systems
New Jersey	State AI Policy
New Mexico	Artificial Intelligence Act (HB60)
New York	AI Use in State Entities Guidelines
North Carolina	Principles for Responsible Use of AI (NC Dept. of IT)
North Dakota	AI Policy (2024)
Ohio	Ohio Admin Policy on AI
Oklahoma	Use of AI in OK State Government Standard
Oregon	Oregon AI Advisory Council Recommendations
Pennsylvania	AI Policy (2025)
Rhode Island	AI Taskforce Created 2024
South Carolina	SC State Agencies AI Strategy
South Dakota	GenAI Guidelines and Acceptable State Use
Tennessee	Enterprise GenAI Policy
Texas	Evaluating large-scale regulation: Texas Responsible AI Governance Act
Utah	Utah's Office of AI Policy
Vermont	Guidelines for State Employee Use of GenAI
Virginia	Enterprise Architecture Standard (2023)
Washington	Interim Guidelines for Purposeful and Responsible Use of Generative Artificial Intelligence (AI) in Washington State Government
West Virginia	WV Taskforce on AI
Wisconsin	Governor's Task Force on Workforce and Artificial Intelligence
Wyoming	N/A
Guam	AI Use Policy for Government of Guam
Puerto Rico	N/A
U.S. Virgin Islands	N/A

Figure 2: AI Tool Inventory for U.S. States and Territories

State	General AI Tool	Tailored AI Tool
Alabama		
Alaska	Copilot	
Arizona		Predictive policing tool
Arkansas		
California	Copilot	Predictive policing tool
Colorado	Copilot, Gemini	
Connecticut	ChatGPT	
Delaware		Judicial officers at the Delaware Supreme Court can use GenAI to streamline work
Florida	ChatGPT	
Georgia		
Hawaii	Gemini	
Idaho	Gemini	
Illinois	Copilot	Predictive policing tool
Indiana	Gemini	
Iowa	Gemini	
Kansas		ZeroEyes: AI gun detection tool for law enforcement and de-escalation
Kentucky	ChatGPT, Gemini, Copilot	
Louisiana		GenAI used to detect Medicaid fraud
Maine		
Maryland	ChatGPT, Claude, Gemini	
Massachusetts		GenAI tools for health records navigation (MassHealth), highway projects (MDOT), and predicting grant eligibility (Energy and Environmental Affairs)
Michigan		GenAI for translation services in local municipalities
Minnesota	ChatGPT, Copilot	
Mississippi		Mississippi AI Network (MAIN) uses AI to compile information on state agencies
Missouri		
Montana	Copilot	
Nebraska		Law enforcement using specific GenAI tools to streamline work and detect fraud

Nevada	Copilot	
New Hampshire	Gemini	
New Jersey		AI chat assistant for constituents
New Mexico		
New York	Gemini	Predictive policing tool
North Carolina	Copilot	
North Dakota	Copilot	
Ohio		
Oklahoma		Celonis
Oregon	Copilot	
Pennsylvania	ChatGPT	
Rhode Island		
South Carolina	Gemini	Predictive policing tool, improving emergency response times, preventing disease outbreaks with trend analysis
South Dakota		
Tennessee		Predictive policing tool
Texas		Workforce commission uses AI to identify job openings for job seekers
Utah	Copilot	
Vermont		Agency of Digital Services, Agency of Transportation, Agency of Administration using AI to identify trends and promote efficiency
Virginia		
Washington	Copilot	Predictive policing tool
West Virginia		
Wisconsin		
Wyoming		Predictive policing tool, Report automation for law enforcement agencies
Guam		
Puerto Rico		
United States Virgin Islands		

Information for this report was compiled by Madeleine Cierski in the AFT Public Employees Department.