

# North Carolina Artificial Intelligence Leadership Council

## Co-Chairs:

*Nate Denny, Secretary of N.C. Department of Information Technology and State CIO*

*Lee Lilley, Secretary of North Carolina Department of Commerce*

## Meeting Minutes

April 23<sup>rd</sup>, 2026, 2:00 - 5:00pm

Virtual

### **AI Leadership Council Members Present**

Dr. Andrea Crowley  
Rep. Zack Hawkins  
Dr. David Yokum  
Mary Penny Kelley  
Kunal Choksi  
Vera Cubero  
Dr. Angel Hsu  
Phaedra Boinodiris  
Marina Carreker  
Igor Jablov  
Sushma Masemore

Bryan Harris  
Dr. Stan Ahalt  
The Hon. Tommy Sowers  
Markell Stora  
The Hon. Shinica Thomas  
Jennie Bowen  
Sarah Bacha  
Leslie Boney  
Rick Knafelz  
Hannah Drummond

### **AI Leadership Council Members Absent**

Rep. Jake Johnson  
Dr. Thomas Reardon  
Dr. Siobahn Day Grady

Sen. Todd Johnson  
Sen. DeAndrea Salvador  
Todd Olson

### **Facilitators**

I-Sah Hsieh, Deputy Secretary for AI and Policy, NCDIT  
Sofya Diktas, Manager for AI Products and Governance, NCDIT  
Chris Brittingham, Technology Policy Analyst, NCDIT

### **Agenda**

- I. Opening Remarks – Co-Chairs, Deputy Secretary of AI & Policy
- II. Talent & Workforce Goals Review
- III. Governance & Safety Goals Review
- IV. Transformation & Innovation Goals Review
- V. Tech, Data, & Infrastructure Goals Review
- VI. Closing Remarks

Meeting called to session at 2:03 p.m. by Sec. Lee Lilley.

### **Opening Remarks**

Secretary Lilley began his opening remarks by underscoring the significant and growing impact of artificial intelligence across the state's operations. Secretary Lilley noted that while the council's work is foundational to North Carolina's long-term success, it is not intended to resolve all challenges alone. He highlighted ongoing efforts, including the Energy Policy Task Force's examination of sales and use tax implications for data centers, and affirmed the state's commitment to navigating emerging technological pressures thoughtfully.

Deputy Secretary Nate Denny followed by expressing appreciation for the opportunity to engage closely with council members. He emphasized that AI governance and strategy constitute one of NCDIT's top four priorities. Central to this work, he explained, is ensuring that North Carolina's workforce is fully prepared for a rapidly evolving technological landscape, and that AI is leveraged to reduce bureaucracy and significantly improve the citizen experience.

Deputy Secretary of AI and Policy I-Sah Hsieh then outlined the objectives for the session, focusing on reviewing the progress of each subcommittee. He reiterated the overarching goals of the council's four domains: Talent & Workforce, Governance & Safety, Transformation & Innovation, and Tech, Data & Infrastructure. He emphasized the importance of preparing the state's residents for AI-driven change, building trustworthy and safe AI systems, fostering a culture of innovation and transformation, and protecting residents from cybersecurity risks, particularly given North Carolina's status as one of the most targeted states for cyber-attacks.

### **Talent & Workforce Goals Review**

The council proceeded to review the Talent & Workforce recommendations. Members broadly supported initiatives that expand upskilling opportunities across communities, including informal learning centers and statewide educational partnerships. Multiple participants underscored the importance of including the entire UNC System and HBCUs in talent-development efforts, noting the value of equitable access. The PK-13 education discussion emphasized equipping teachers with the training necessary to confidently deliver AI-related instruction, as well as maintaining equity considerations and funding support for schools and districts.

The conversation also addressed credentialing targets and the inclusion of county and municipal government employees in state workforce training programs. Substantial discussion centered on the evolving expectations of private-sector employers as AI agents become more commonplace. Some members questioned whether every worker will eventually be expected to manage AI agents, while others expressed concern about the use of AI in hiring processes and the risk of excluding qualified candidates.

Participants agreed on the importance of avoiding anthropomorphizing AI and maintaining clarity that AI systems are powerful tools, not surrogate humans.

In discussing the public-sector talent pipeline, members highlighted the need to strengthen demand-side hiring capacity so that investments in talent development result in meaningful employment opportunities. The group examined incentives to encourage retention within state government while also acknowledging the role of public-sector experience in preparing workers for eventual private-sector roles. Further conversation addressed unemployment and re-employment strategies, including legislative options and proactive identification of workers at risk of displacement.

### **Governance & Safety Goals Review**

The Governance & Safety subcommittee's recommendations centered on establishing robust AI usage standards, defining functional and non-functional requirements, and identifying clear authoritative data sources. Members stressed that AI liaison roles must be granted the authority needed to effectively carry out their responsibilities.

Discussions on transparency and accountability focused on leveraging existing structures where appropriate, ensuring strong feedback loops, and establishing clear human appeal processes when AI systems make determinations affecting residents. The council agreed that protections for vulnerable communities must extend beyond children, including seniors and others who may face disproportionate risk. The group also discussed fraud prevention strategies, including the potential use of blockchain technologies.

### **Transformation & Innovation Goals Review**

The Transformation & Innovation recommendations emphasized improving service delivery through better coordination and potentially centralized support for citizens. Members explored the concept of an AI orchestrator agent paired with a technical oversight team. This would allow seamless integration between different agency services. A proposed statewide AI marketplace raised critical questions about shared accountability, standards for inclusion, and the balance between building and buying AI capabilities within government. Participants highlighted the need for modernized digital infrastructure, empowered AI champions, and multidisciplinary AI literacy efforts to support long-term organizational change.

### **Tech, Data, & Infrastructure Goals Review**

In the Tech, Data & Infrastructure subcommittee discussion, the council discussed major challenges facing local governments, particularly in cybersecurity implementation. Members suggested expanding fee-for-service models and ensuring alignment between cyber liaisons and CISO authority. Contingency planning for system failures was a key theme, including concerns about maintaining manual capabilities and the possibility of AI systems serving as backups. Members emphasized the need for clear

documentation of critical AI systems and appropriate prioritization. The group also evaluated incentives for compute access, governance of synthetic datasets, including consent and guardrails, and strategies to incorporate resource-impact considerations into procurement requirements.

### **Closing Remarks**

In closing, Chair Hsieh outlined next steps, noting that staff would integrate council feedback into a draft report over the next two to three weeks. Members expressed strong support for framing the Council's work around the themes of Protect, Prepare, and Transform, which they agreed communicate effectively with both stakeholders and the public. The meeting concluded with a reminder of upcoming subcommittee meetings in May, followed by the June full council meeting, at which the recommendations will move toward execution.

### **Adjournment**

Meeting adjourned at 4:51 pm.