



**FEDERATION OF
STATE MEDICAL BOARDS**

Active and Proposed Healthcare AI Sandboxes State and Federal Overview

- A healthcare AI sandbox is a time-limited program that allows developers and providers to test AI tools in real clinical settings under regulator-approved waivers and oversight, so states can evaluate safety, effectiveness, and appropriate regulation before allowing full-scale deployment.
- **Six (6) states** have enacted legislation creating HC AI sandboxes or allowing for their development. Federally, there is an active partnership between the **Food and Drug Administration (FDA)** and the **Center for Medicare and Medicaid Innovation (CMMI)**.
 - AZ, CT, DE, KS, TX, UT + Federal regulatory
- **Eight (8) states** have proposed similar legislation, plus legislation introduced in Congress
 - IA, ID, MA, NH, OH, OK, PA, RI + Federal
- **One (1) state** has enacted a health care-related, but not AI-specific, sandbox.
 - WY
- **Note:** This chart's scope is limited to the intersection of healthcare and AI and omits state sandboxes related to other categories, such as financial technology.

State	Status	Detail	Citation
AZ	Enacted	Enacted April 2022, expands existing financial-technology sandbox legislation (HB 2434 (2018)), allowing for sandboxes in other sectors, including healthcare. The program, run by the Attorney General, lets companies test innovative products without normal licensure: Applicants need an in-state presence, applications are reviewed within 90 days, and the AG has sole discretion authority (without appeal). Approved participants get a 24-month testing period, subject to caps (10,000 AZ consumers, maximum) and sector-specific rule carve-outs. Participants must keep records, report breaches/failures, and may get a 1-year extension to pursue permanent licensing. The AG can remove violators (without appeal) and may sign reciprocity deals with other states. The program sunsets July 1, 2028.	HB 2731 (2022)
CT	Enacted (in development)	Enacted May 27 and effective July 1, 2027, directs the Commissioner of Economic and Community Development, in consultation with the Banking, Administrative Services, Public Health, and Insurance Commissioners, to develop a plan for an AI regulatory sandbox that would let applicants test innovative products/services under reduced licensing and regulatory requirements. The Commissioner is directed to assess the feasibility of a reciprocal multistate sandbox program. By January 1, 2028, the Commissioner must submit legislative recommendations to the Governor and the relevant legislative to implement the plan.	SB 5 (2026)
DE	Enacted (in development)	Enacted and effective July 23, 2025, directs the Artificial Intelligence Commission to work in collaboration with the Secretary of State to create a regulatory sandbox framework for the testing of innovative and novel technologies that utilize agentic artificial intelligence. The Agentic AI Sandbox Subcommittee of Delaware AI Commission holds regular public meetings; Sec. of State workgroup investigating structure; initial focus is corporate governance, with healthcare as a future sector of interest. As of August 2026, draft legislation is being refined. HB 191, explicitly bars AI from being licensed as a physician, nurse, or APRN.	HJR 7 (2025) Press Release Delaware AI Commission Webpage

State	Status	Detail	Citation
IA	Failed	Based on Cicero Institute's AI Medical Services Act, bill would have established a regulatory framework for the licensure and oversight of Artificial Intelligence Augmented and Autonomous Service Providers (AAASPs) in clinical settings, regulated by a newly created Board of Autonomous Medical Practice, to license, regulate, and discipline entities offering AI-powered clinical services. AAASPs are entities that use either advisory, supervised autonomous, or fully autonomous AI systems in clinical care, and licensure is required based on the scope and autonomy of the AI; three license classes (A: clinical AI services delivered directly to patients without FDA approval; B: clinical AI services delivered directly to patients with FDA approval; C: clinical AI services focused on nondiagnostic therapy, coaching, or monitoring) and four autonomy modifiers (L0–L3, which vary from a voluntary license for systems otherwise exempt from licensure to fully autonomous AI authorized for <i>independent</i> operation).	HSB 766 (2026)
ID	Failed	The Board - the only regulatory body for AAASPs - would be comprised of licensed medical, pharmacy, nursing, psychological, health technology, ethics, and public representatives. It is responsible for issuing and revoking licenses, conducting safety audits, rulemaking, and managing complaints and disciplinary proceedings, and must set and enforce clinical safety and performance benchmarks at least equivalent to a “reasonably prudent human.” The bill includes patient disclosure requirements, rules on duty of loyalty (patient over financial interests), commercial content bans in patient interfaces, and algorithm auditing. AAASP licensees must meet federal HIPAA standards and maintain continuity plans for patient data, among other requirements. Lastly, the bill requires state Medicaid and insurance authorities to develop reimbursement codes, pilots, and guidelines for AAASP-delivered care and caps liability for licensees except in cases of gross negligence.	H 945 (2026)
KS	Enacted	Enacted via veto override April 10, 2025 and effective July 1, 2025, based on the Libertas Institute's model bill language, establishes a universal regulatory sandbox to allow businesses to test innovative products, services, and business models under regulatory observation for 24 months with temporary waivers from certain state laws. Creates a Regulatory Relief Office (RRO) and a 11-member General Regulatory Sandbox Program Advisory Committee (“Committee”) to administer the program, review outdated regulations, and explore reciprocity agreements with other states. The Committee includes five business representatives, two members from state regulatory or licensing bodies, and four legislators. The RRO must consult relevant state agencies (including licensing boards) on sandbox applications; if an agency recommends denial, the Committee must reject the application unless a two-thirds majority votes to override.	HB 2291 (2025)
MA	Proposed	Establishes the Massachusetts AI Trust Authority (Authority) to administer the voluntary Massachusetts AI Trust Certification, Innovation Sandbox, reciprocity frameworks, and Community Advisory Board. The AI Trust Certification provides a state-backed designation for AI entities that meet transparency and accountability standards, with certified entities being eligible for preferred consideration in state and municipal procurement, innovation grants, and expedited transparency compliance. The Authority must establish multiple certification tiers and oversee an Innovation Sandbox that allows limited, time-bound deployment of AI systems not yet eligible for certification, subject to enhanced transparency, quarterly public reporting, municipal consent, Community Advisory Board review, and a structured pathway to full certification. The Authority must also pursue reciprocity agreements with other jurisdictions to recognize compatible AI transparency frameworks, coordinate technical standards and enforcement, and publish an annual report evaluating the effectiveness of its certification, sandbox, and reciprocity programs. The Community Advisory Board may recommend the revocation, suspension, or modification of AI Trust Certifications or sandbox participation, although the Authority retains final decision-making authority.	HD 6293 (2026)
NH	Failed	Bill would have created an AI regulatory sandbox, run by the Dept. of Information Technology (DoIT) in consultation with an AI council, that allows approved participants to test innovative AI systems under oversight and quarterly reporting for up to 36 months, but without waiving the core prohibitions in RSA 359-V:4 (which lists a set of prohibitions such as engaging in unlawful discrimination, deception, or unfair practices). DoIT can recommend removing participants whose activities pose undue risk to public safety or violate applicable law, while enforcement authority is centralized in the AG, who must provide written notice and a 60-day cure period before imposing civil penalties of up to \$200,000 per violation and \$40,000 per	HB 1725 (2026)

State	Status	Detail	Citation
		day for continuing violations, with higher penalties for systemic or egregious conduct and no private right of action. If enacted, would become effective January 1, 2027.	
OH	Proposed	Based on the Libertas Institute's model bill language , establishes a universal regulatory sandbox to allows businesses to test innovative products, services, and models under regulatory supervision for up to 12 months, with temporary waivers from certain state laws. Create a Regulatory Relief Office (RRO) and a General Regulatory Sandbox Program Advisory Committee ("Committee") to administer the sandbox, review laws that may unnecessarily inhibit innovation, and pursue reciprocity agreements with other states operating similar programs.	SB 90 (2025)
		Requires the RRO to consult with relevant state agencies (including licensing boards), and a negative agency recommendation leads to denial of an application. The Committee consists of 11 members - six business representatives from various industries, three state regulatory agency representatives, and two members from the Legislature.	
		Bill would establish a universal regulatory sandbox in the state's Common Sense Initiative that lets approved businesses test new products, services, or business models for a limited time without first obtaining all otherwise required licenses or fully complying with every applicable regulation, under the guidance of a new Regulatory Relief Division that identifies burdensome rules, recommends tailored waivers, evaluates risk, and coordinates with agencies. An advisory committee of business and agency representatives would review applications and recommend sandbox participation to the Governor, and approved "sandbox participants" could operate under modified requirements for an initial 24-month period, with the possibility of up to five 12-month renewals, after which they must comply with all relevant laws. The bill preserves key protections by prohibiting waivers of tax obligations and consumer restitution rights and by requiring that public health, safety, and consumer protection be maintained throughout, while also mandating annual reports to the Legislature on the program's operation and keeping individual participant data non-public.	HB 176 (2025)
OK	Failed	Bill would have created an AI Regulatory Sandbox Program, overseen by an AI Council established by the legislation, letting approved "deployers" test innovative AI systems in a controlled environment under defined ethical, safety, privacy, and security standards. The Council would evaluate applications based on factors like potential societal benefit or economic development, alignment with Council ethical principles, and compliance with data protection requirements, then set project-specific limits, safeguards, and monitoring conditions. Participants would have to provide periodic progress reports and a final evaluation describing system performance, risks encountered, and mitigation steps, giving the state structured visibility into how the AI functions before broader deployment.	HB 1916 (2025)
PA	Proposed	Based on the Libertas Institute's model bill language , establishes a universal regulatory sandbox to allows businesses to test innovative products, services, and models under regulatory supervision for up to 24 months, with temporary waivers from certain state laws. All three bill would create a Regulatory Relief Office (RRO) and a General Regulatory Sandbox Program Advisory Committee ("Committee") to administer the sandbox, review laws that may unnecessarily inhibit innovation, and pursue reciprocity agreements with other states and foreign nations.	SB 245 (2025)
		Requires the RRO to consult with relevant state agencies (including licensing boards), and a negative agency recommendation leads to denial of an application; however, this recommendation can be overridden with a two-thirds Committee vote. The Committee consists of eight members – six business representatives from various industries and two members from the Legislature.	
		Bill would create the Artificial Intelligence, Data Center, and Emerging Technology Regulatory Sandbox through the Office of Transformation and Opportunity (OTO) and lets approved companies temporarily test innovative, regulated tech products in the market for up to 12 months, with a possible one-year extension, under tailored waivers from certain state requirements while still facing normal civil and criminal liability. Applicants must submit detailed plans describing their technology, benefits and risks, compliance and consumer-protection strategies, relevant legal or criminal history, and once approved, clearly disclose to consumers that the product is experimental, outline risks and a complaint process, and maintain adequate liability coverage. Throughout the sandbox period, OTO oversees participants, coordinates with other agencies, and requires participant reporting (including quarterly reports during extensions), while participants must either cease testing or transition into full licensure or authorization at the end, with any necessary ongoing obligations to protect consumers.	SB 939 (2025)

State	Status	Detail	Citation
RI	Proposed	<i>See the summary for OH SB 90 above.</i>	HB 7383 (2026)
TX	Active	Enacted June 22, 2025, and effective January 1, 2026, establishes an "AI Regulatory Sandbox" overseen by the Texas Dept. of Information Resources, allowing businesses to test new AI systems, temporarily waiving some regulations, to encourage innovation while maintaining oversight. Approved participants may test and deploy AI systems for a maximum of 36 months. Healthcare providers must clearly disclose AI system use in treatment contexts, ensuring patient awareness and informed consent for AI-assisted medical decisions. AI systems are prohibited from discriminating, violating constitutional rights, or harmful behavior manipulation, and the AG has exclusive enforcement authority. SB 1188 requires physician review of all AI-generated medical records per Medical Board standards, restrictions on physical offshoring of electronic medical records, and detailed patient notification procedures. As of May 2026, there are no specific healthcare participants publicly announced, although healthcare AI developers may apply.	HB 149 & SB 1964 (2025)
UT	Active	Enacted March 13, 2024, and effective May 1, grants time-limited "regulatory mitigation agreements" waiving specific state laws (e.g., professional licensing), facilitated by the Utah Office of Artificial Intelligence Policy (OAIP). Requires physician oversight, phased rollout, monthly safety reporting, and malpractice coverage for AI outputs. Privacy/cybersecurity laws remain in force. As of August 2026, OAIP has authorized the following pilots: • Doctronic: AI prescription renewals for 192 low-risk chronic medications (launched Jan. 2026) • Dentacor: AI-assisted radiograph diagnostics for dental hygienists serving vulnerable populations (announced May 2025) • ElizaChat: AI mental health support app for youth in schools (first agreement, Dec. 2024) • Legion Health: AI prescription refills for maintenance psychiatric medications (announced March 2026)	SB 149 (2024)
WY	Enacted* (Not specific to AI)	Wyoming's Medical Digital Innovation Sandbox Act was enacted on March 15, 2019, and effective January 1, 2020. While not specific to AI, the Act allows companies to test "innovative medical digital assessment" products under time limited waivers from specified health care statutes and regulations, with the Dept. of Health issuing the sandbox authorization and defining exactly which provisions are relaxed and for how long (up to 24 months). Licensing boards are included for waivers that touch their statutes or rules: if the board grants the waiver, a DOH convened review committee evaluates the proposal and recommends authorization or denial to the Director. Boards' decisions and recommendations shape which parts of their practice acts are waived and what baseline requirements—like consumer disclosures and record keeping—remain in force, giving medical, nursing, and other health profession boards a significant practical role in how digital innovations interact with licensure, supervision, and scope of practice requirements, even though the formal sandbox approval comes from the DOH. As of May 2026, there is no public roster of sandbox projects, although there is a waiver application available on website.	SF 156 (2019) Wyo. Stat. §§ 40-28-101-108 Administrative Rules
FED	Active	Launched in December 2025 by a joint FDA-CMMI partnership, the Technology-Enabled Meaningful Patient Outcomes (TEMPO) Pilot grants FDA enforcement discretion for digital health device manufacturers not yet cleared/authorized. Devices must target chronic disease outcomes in four clinical use areas: cardio-kidney-metabolic (early & advanced), musculoskeletal, and behavioral health. Up to 40 manufacturers total (10 per use area). Participants must collect and report real-world performance data and commit to future FDA marketing submissions. As of August 2026, four participants have been selected by FDA: • SonderMind,(behavioral health): Smartphone-based adjunct to psychotherapy and/or medication intended to reduce depression and anxiety symptoms in adults age 22 and up.	TEMPO FAQs TEMPO Participants

State	Status	Detail	Citation
		• Limbic (behavioral health): AI voice agent within structured outpatient behavioral-health services to deliver cognitive behavioral therapy-based treatment for Medicare beneficiaries with clinically significant depression and/or anxiety. • Cadence Solutions (eCKM): Supports clinician-supervised, protocol-based initiation and titration of antihypertensive medications for adults with Stage 2 hypertension. • Dexcom (eCKM/CKM): Monitors metabolic and nutritional status, receive tailored guidance and AI-supported insights, screen for prediabetes and type 2 diabetes	
	Proposed	The Strengthening AI Normalization and Diffusion By Oversight and eXperimentation (SANDBOX) Act, introduced by Sen. Ted Cruz in Sept. 2025, would utilize the Office of Science and Technology Policy (OSTP) to coordinate federal agency waiver requests from AI developers. The bill explicitly covers FDA requirements, including premarket authorization, offers two-year waivers with mandatory incident reporting, and is designed to coordinate with state sandbox programs. The bill is aligned with the July 2025 White House AI Action Plan, which called for regulatory sandboxes and AI Centers of Excellence nationwide.	S. 2750 (2025-26) Press Release One Pager

For informational purposes only: This document is not intended as a comprehensive statement of the law on this topic, nor to be relied upon as authoritative. Non-cited laws, regulation, and/or policy could impact analysis on a case-by-case or state-by-state basis. All information should be verified independently.

Questions, comments, or corrections? Please contact (advocacy@fsmb.org)