

To: Geraldine Gardner, Executive Director

From: Joe Sailco, Community Economic Development Specialist

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Re: Municipal AI Usage Policy Review

Introduction

Generative AI has become widely accessible, and municipalities are beginning to implement AI usage policies within their organizations. Generative AI offers a wide range of benefits to municipal governance, yet also poses risks to overall security of employees, sensitive information, and public trust. This memorandum highlights the process of implementing an AI policy in local government.

Regional AI Usage

Specific to the Centralina region, the wide range of demographic, population, and municipal capacity differences create challenges to a uniform AI policy. Encouraging the implementation and use of AI will be subject to each jurisdiction and the objectives of elected officials and town employees. Regardless of whether a local government would like to incorporate generative AI into their workforce, all local government organizations are encouraged to be proactive towards AI usage by creating a list of principles to ensure transparency, safety, and ethical usage of generative AI.

The creation of an AI policy template for the Centralina region must include a clear purpose, a code of ethical principles, a mutual understanding of the risks associated with the use of AI, and a regulatory framework outlining the acceptable processes for publishing and/or utilizing generative AI.

Implementing an AI Policy in Local Government

Of the five municipalities researched, three had shared the process of creating an AI policy. First, a local government organization must identify why their organization needs an AI usage policy such as the enforcement of the ethical use of these generators. The implementation process involved the creating of a working group, task force, or board charged with exploring the challenges and risks of using generative AI in local government work. The processes of San Jose, Seattle, and Tempe all shared the following similarities:

1. Acknowledgement of the purpose, scope, benefits, and risks of using AI in municipal work.
2. Creation of an internal or external advisory task force, board or committee.
 - a. The task force, board, and working group may encompass a range of professions, expertise, and other public sector employees.
 - b. Consultation with external and internal stakeholders to prioritize specific organizational goals to best serve the organization and community.
3. Publication of an interim policy open to public comment.
4. Formalization of an internal generative AI policy subject to change as AI technology advances.

AI Policy Components

The following municipalities have an adopted AI usage policy:

- City of Seattle
- City of Tempe
- City of San Jose
- City of Boston
- New York City

Each organization addresses the following items in their respective AI usage policy:

- AI Definitions
 - A definition of what specific AI technology the organization is addressing in the AI Usage Policy. While some organizations go more in-depth, (i.e. predictive analytics, machine learning, deep learning, generative AI, automated decision making, etc.) other policies use a blanket definition of AI technology to encompass all forms.
- Policy Statement / Purpose
 - A statement or paragraph outlining the organization's stance toward AI technology, acknowledging the potential impacts and threats of usage within the organization.
- Supervisory Controls
 - A hierarchy of oversight to assign responsibility of AI usage to the individual, departmental, and organizational level. This ensures that any AI generated work is reviewed to be accurate, equitable, and mirrors other values of the specific organization.
- Citations
 - An outline of how and when to cite work created through or using material from generative AI. This includes embedding citations directly into generated videos or images and citing written work when substantial portions of language come from an AI text generator.
- Records Management
 - A process that clarifies that all content or information generated by AI technology may be subject to the Public Records Act. Some organizations encourage or require each employee to record the platform, prompt, and product from AI generators each time the technology is used.

Code of AI Principles

Each AI policy consists of a code of AI principles. These principles include key considerations such as innovation, transparency, validity, equity, privacy, accuracy, etc. Below is a table showing the difference amongst the AI policies regarding AI principles:

	Seattle	San Jose	NYC	Boston	Tempe
Innovation	X			X	
Transparency / Accountability	X	X	X	X	X
Validity / Reliability	X	X			
Equity / Biases	X	X	X		X
Privacy / Security	X	X		X	X
Explainability	X				X
Empowerment		X	X	X	
External Collaboration			X		X

Each municipality began the AI usage policy process by identifying which ethical principles were prioritized and included. Boston, NYC, and San Jose each included “empowerment” in their respective policies, as some municipalities take a different approach and encourage employees to utilize generative AI to increase productivity and efficiency. A standardized AI policy template may prefer to follow the path of Tempe and Seattle, which more strictly addresses the ethical responsibilities and internal processes and regulations.