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January 18, 2024

To: CSAC Executive Committee

From: Kalyn Dean, Legislative Advocate
Jessica Sankus, Senior Legislative Analyst

Re: **2024 Artificial Intelligence Steering Committee & Working Group**

Purpose

California is home to 35 of the world's top 50 artificial intelligence (AI) companies¹. As surveyed by CSAC, many of California's 58 counties are either using or are planning to use AI in the future². While AI is not new, with an important part of AI history introduced through Alan Turing's "[Computing Machinery and Intelligence](#)" published in 1950, the regulation of AI is the hot topic more than 70 years later. The use of this rapidly evolving technology is being explored to improve lives and the functioning of government. In what best summarizes the moment, the Los Angeles Times said, "*California is trying to tap into AI to improve government services at a time when lawmakers seek to safeguard against the technology's potential risks.*"

In response, this memo provides a county-focused summary of the current AI regulatory and legislative landscape, to kickstart the work of the 2024 CSAC Artificial Intelligence Steering Committee and Working Group. These groups will bring together county officials to discuss the use of AI systems, develop guiding principles to assist counties in implementing and responding to AI systems, and to develop language for the CSAC County Platform to inform related legislative advocacy. These groups will also identify the policy and resource gaps that counties currently have and will determine whether and how CSAC can play a role in addressing the identified needs.

What is Artificial Intelligence?

AI refers to the capability of computer systems or algorithms to imitate intelligent human behavior, such as problem solving. This is accomplished with a collection of technologies, combining computer science and datasets, to enable computers to sense, learn, reason, and act. At this time, conventional AI is capable of specific, individual tasks as programmed by humans. AI runs the algorithms (i.e., the instructions) that are encoded in computer programs.³

With **Conventional AI**, models use datasets to learn to identify any underlying patterns within the data and then produce predictions for the context of what the model was specifically trained to do. Conventional AI models are usually designed for just a few specific tasks and are limited by the scope of the input AI data and the expertise of the programmer. Examples include fraud detection tools, image classification systems, chatbots, and more.

With more flexibility and functionality, **Generative Artificial Intelligence** (GenAI) uses large quantities of data to create written, audio, and/or visual content when prompted by

¹ [AI 50](#) (Forbes, April 11, 2023).

² See Appendix B, CSAC 2024 AI survey results.

³ Definition of AI provided by the Boston Museum of Science: [What is AI?](#)

a free-form text request by a user. While conventional AI regurgitates input data based on identified patterns, GenAI can produce new content (e.g., [ChatGPT](#)). GenAI knowledge bases often contain unverified and unevaluated information.

How does AI work?

At a high level, a common approach to AI is a process called “machine learning,” in which AI systems are given datasets and are programmed with algorithms, and human AI developers train computer programs to recognize patterns in the datasets to solve a problem. Machine learning algorithms, called “neural networks,” extract information from examples in the training dataset by searching for patterns in multiple steps. Once a computer program is trained on a dataset, it can encounter new scenarios and begin making predictions based on its training.

To explain how AI works, [Microsoft](#) implores the reader to ask the question, “*How do people learn?*” Although it sounds like science fiction, Microsoft explains that: “*It can be something as simple as learning $2+2=4$ or as complex as string theory. Whatever it is, we learn by observing samples. The same is true for AI. An AI algorithm takes in data and stores the information in a database. It collects samples of information and uses them to make observations that lead to conclusions. Ultimately, you could teach an AI system that $2+2=3$ if you fed it enough samples that showed this was true.*”

Please see the glossary of key terms in Appendix A for a more detailed description of relevant language used throughout this document.

FEDERAL ACTION

President Biden’s Executive Order

On October 30, 2023, President Biden signed [Executive Order 14110](#) on the “Safe, Secure, and Trustworthy Development and Use of AI.” The Executive Order establishes new standards for AI safety and security. The strategies and directives included are sweeping and comprehensive, affecting private industry, public agencies, and consumers.

Major components of the Executive Order include:

National Security

- Requiring companies that develop powerful AI systems that pose a risk to national security to notify the federal government when training the model and share their safety test results and other critical information.
- Directing the development of standards, tools, and tests for multiple federal departments to ensure safety:
 - The National Institute of Standards and Technology will set rigorous standards before public release of AI systems.
 - The Department of Homeland Security will apply those standards to infrastructure sectors and establish The AI Safety and Security Board.
 - The Departments of Energy and Homeland Security will address AI systems’ threats to infrastructure and other risks such as cybersecurity.

Consumer Protection, Privacy, and Cybersecurity

- Protecting against AI-enabled fraud, the Department of Commerce will develop guidance for detecting AI-generated content and establish best practices for authenticating and watermarking AI-generated content.
- Establishing a cybersecurity program to develop AI tools to find and fix vulnerabilities in software.

Use of AI by Federal Agencies

- Evaluating how federal agencies collect and use commercially available information – with a focus on personally identifiable data and strengthening privacy guidance for federal agencies.
- Developing guidelines for federal agencies to evaluate the effectiveness of privacy-preserving techniques and prioritizing federal support for accelerating the development and use of privacy-preserving techniques.
- Ensuring responsible and effective federal government use of AI by issuing guidance that includes clear standards to protect rights and safety, improve AI procurement, and strengthen AI deployment. Also, to accelerate the rapid hiring of AI professionals as part of a government wide AI talent surge.

Concerning Civil Rights, Algorithmic Discrimination, and Equity

- Advancing equity and civil rights by providing guidance to landlords and federal benefits programs to keep AI algorithms from being used discriminately, addressing algorithmic discrimination through training, technical assistance, and coordination between the Department of Justice and federal civil rights offices when investigating and prosecuting civil rights violations related to AI, and developing best practices on the use of AI in sentencing, parole and probation, pretrial release and detention, risk assessments, surveillance, crime forecasting and predictive policing, and forensic analysis.
 - An important point to highlight: *“Irresponsible uses of AI can lead to and deepen discrimination, bias, and other abuses in justice, healthcare, and housing.”* To protect the American public in the age of AI, with a focus on advancing equity and civil rights, the Biden-Harris Administration previously published the Blueprint for an AI Bill of Rights (see below), as well as Executive Orders [14091](#) and [13985](#), directing federal agencies to combat algorithmic discrimination. Portions of these orders were written to address emerging civil rights risks and instruct federal agencies to focus on threats such as algorithmic discrimination in automated technology, to improve accessibility for people with disabilities, and to improve language access services, while ensuring their own use of AI and automated systems advance equity.

Health and Human Services

- Directing the Department of Health and Human Services to establish a safety program to receive reports of harm or unsafe healthcare practices involving AI.

Education

- Creating resources to support educators using AI-enabled educational tools (e.g., personalized tutoring in schools).

Addressing Workforce Impacts

- Developing principles and best practices to mitigate harm and maximize the benefits of AI for workers by addressing job displacement, labor standards, workplace equity, health and safety, and data collection.

- Producing a report on AI's potential labor-market impacts and studying and identifying options for strengthening federal support for workers facing labor disruptions, including from AI.

Immediately following the announcement of federal Executive Order 14110 on AI, the Federal Office of Management and Budget (OMB) released a [complementary draft policy](#) on “Advancing Governance, Innovation, and Risk Management for Federal Agency use of AI.” The OMB’s draft policy does not, at this point, mandate how states or local governments regulate use of AI systems within their jurisdictions.

Note, other federal executive orders on AI include [13960](#) and [13859](#) from the Trump-Pence Administration. While we did not find executive orders on AI released during the Obama-Biden Administration, that Administration released two AI reports to lay out plans for the future of AI, with a combined total of twenty-five recommendations⁴, and President Obama assisted the Biden-Harris Administration with Executive Order 14110.

President Biden’s Blueprint for an AI Bill of Rights

In October 2022, one year before President Biden’s Executive Order on AI, The White House Office of Science and Technology Policy (“the Office”) under the Biden-Harris Administration published a lengthy [Blueprint for an AI Bill of Rights: Making Automated Systems Work for the American People](#) (the “AI Blueprint”). In this publication, the Office is clear that the intention is to prevent the use of technology, data, and automated systems from infringing on civil rights, equal opportunities, and the right to privacy for Americans. Unlike recent publications from the state that include a narrower scope, the AI Blueprint proclaims to be “sector-agnostic,” and is designed to apply to inform policy decisions nationwide, at all levels of government and across the private sector.

- **A note for clarity:** The AI Blueprint uses the term “artificial intelligence” as well as the term “automated systems.” The AI Blueprint includes a definition of an automated system that is broader in scope than the standard definition of AI. This appears to be an intentional choice, to capture all manner of technologies that may affect the civil rights of residents. The AI Blueprint defines an automated system, in part, as “*any system, software, or process that uses computation as whole or part of a system to determine outcomes, make or aid decisions, inform policy implementation, collect data or observations, or otherwise interact with individuals and/or communities. Automated systems include, but are not limited to, systems derived from machine learning, statistics, or other data processing or AI techniques, and exclude passive computing infrastructure.*” (Page 10)

The Office identifies five principles that should guide the design, use, and deployment of automated systems to protect the American public in the age of AI, summarized as follows:

- **Safe and effective systems** – You should be protected from unsafe or ineffective systems. (Page 15)
 - Expectation/standard: Automated systems should include safeguards to protect the public from harm in a proactive and ongoing manner; avoid use of data inappropriate for or irrelevant to the task at hand, including the reuse of data that could cause compounded harm; only use relevant and high-quality data; and

⁴ [Preparing For The Future of AI, October 2016](#) and [AI, Automation, and the Economy, December 2016](#)

should demonstrate the safety and effectiveness of the system by applying independent evaluations and reporting. (Page 18)

- **Algorithmic discrimination protections** – You should not face discrimination by algorithms and systems should be used and designed in an equitable way. (Page 23)
 - Expectation/standard: Protection against algorithmic discrimination should include design and development to ensure equity, and broadly construed, such as proactive equity assessments early in the development process. Automated systems should be tested to help ensure it is free from algorithmic discrimination before it can be sold or used. Once deployed, automated systems should be regularly monitored to assess algorithmic discrimination that might arise from unforeseen interactions of the system with inequities not previously accounted for. (Page 26)
- **Data privacy** – You should be protected from abusive data practices via built-in protections, and you should have agency over how data about you is used. (Page 30)
 - Expectation/standard: The American public should be protected via built-in privacy protections, data minimization, use and collection limitations, and transparency, in addition to being entitled to clear mechanisms to control access to and use of their data—including their metadata—in a proactive, informed, and ongoing way. Any automated system collecting, using, sharing, or storing personal data should meet these expectations. The public should be protected from unchecked surveillance. (Page 33)
 - Note: The AI Blueprint includes extra context and enhanced protections related to sensitive domains (e.g., health, employment, education, criminal justice, personal finance, and more). (Page 36)
- **Notice and explanation** – You should know that an automated system is being used and understand how and why it contributes to outcomes that impact you. (Page 40)
 - Expectation/standard: An automated system should provide demonstrably clear, timely, understandable, and accessible notice of use, and explanations as to how and why a decision was made or an action was taken by the system. (Page 43)
- **Human alternatives, consideration, and fallback** – You should be able to opt out, where appropriate, and have access to a person who can quickly consider and remedy problems you encounter. (Page 46)
 - Expectation/standard: An automated system should provide demonstrably effective mechanisms to opt out in favor of a human alternative, where appropriate, as well as timely human consideration and remedy by a fallback system, with additional human oversight and safeguards for systems used in sensitive domains, and with training and assessment for any human-based portions of the system to ensure effectiveness. (Page 49)

Notably, California is featured in the AI Blueprint, as an example of how the principles listed above can move into practice, or are already being practiced by proactive states, and includes the following remarks:

“A California law requires that warehouse employees are provided with notice and explanation about quotas, potentially facilitated by automated systems, that apply to them. Warehousing employers in California that use quota systems (often facilitated by

algorithmic monitoring systems) are required to provide employees with a written description of each quota that applies to the employee, including “quantified number of tasks to be performed or materials to be produced or handled, within the defined time period, and any potential adverse employment action that could result from failure to meet the quota.”⁵ (Page 43)

Lastly, the Appendix (Page 53) of the AI Blueprint includes examples of automated systems that have the high potential, depending on the application of the technology, to infringe upon civil rights, equal opportunities, and right to privacy for Americans. The illustrative examples listed in the Appendix, especially of technologies already in use, may be of particular interest and aid to county governments that are examining the impact of AI on their operations and their residents.

STATE ACTION

Governor Newsom’s Executive Order

In early September 2023, Governor Gavin Newsom issued [Executive Order N-12-23](#) to study the development, use, and risks of AI technology throughout the state. As Governor Newsom’s [press release](#) notes, California is a global hub for GenAI, and as an emerging field of technology, GenAI may revolutionize the world. As well reported, this technology may present transformative benefits for society in several fields, ranging from advances in medicine, wildfire forecasting and prevention, revolutionizing the transportation sector, providing operational efficiencies across various sectors of the economy, and providing better metrics to make data-informed policy decisions, and more. The Governor’s Executive Order also identified risks, including terrorism, cyberattacks, disinformation, deception, and discrimination and bias.

The Governor’s Executive Order includes a number of provisions, including the development of a risk-analysis report; general guidelines for public sector procurement, uses, and required training; beneficial uses of GenAI report; deployment and analysis framework; state employee training; GenAI partnership and symposium; a legislative engagement strategy, and evaluative measures to assess the impacts of AI on an ongoing basis. A subsequent section of this document includes a description of the report developed by the Government Operations Agency, the California Department of Technology, the Office of Data and Innovation, and the Governor’s Office of Business and Economic Development, which examines the beneficial uses of GenAI tool deployment and the potential risks to individuals, communities, and governments.

Timeline of deliverables included in Executive Order N-12-23		
Deadline	State Agencies	Task/Deliverable
Within 60 days of the issuance of the order (i.e., early December 2023)	Statewide	All state agencies within the Administration shall conduct and submit an inventory of all current high-risk uses of GenAI within state agencies to CDT.

⁵ [Chapter 197, Statutes of 2021.](#)

	GovOps CDT ODI GO-Biz	Specified state agencies shall draft a report examining the most significant, potentially beneficial use cases for deployment of GenAI tools by the state, and the most significant risks to the state and the community at-large.
Beginning in the fall of 2023	GovOps GO-Biz	Specified state agencies are directed to work with UC Berkeley and Stanford University to convene a joint California-specific AI summit in 2024.
By January 2024	GovOps DGS CDT Cal-CSIC	Specified state agencies shall issue general guidelines for public sector procurement, uses, and required trainings for use of GenAI.
No later than March 2024	Cal-CSIC STAC CDT CMD CHP	Specified state agencies shall perform a joint risk analysis of potential threats to and vulnerabilities of California's critical energy infrastructure by the use of GenAI.
By March 2024	CDT	CDT shall establish the infrastructure to conduct pilots of GenAI projects for state agencies, including environments to test such projects.
By July 2024	GovOps CDT CalHR LWDA	Specified state agencies shall make available trainings for state government worker use of state approved GenAI tools.
	Statewide	All state agencies within the Administration shall consider pilot projects of GenAI applications.
	GovOps CDT ODI	Specified state agencies shall develop guidelines for state agencies and departments to analyze the impact that adopting a GenAI tool may have on vulnerable communities.
By January 2025	GovOps DGS CDT	Specified state agencies shall update the State's project approval, procurement, and contract terms, incorporating analysis and feedback obtained through the processes outlined above.
No later than January 1, 2025	GovOps CalHR LWDA	Specified state agencies and state employee representatives shall establish criteria to evaluate the impact of GenAI to the state government workforce and provide guidelines on how the state can support state government employees to use these tools effectively.
Acronym	State Agency/Department/Office	
CalHR	California Department of Human Resources	
Cal-CSIC	California Cybersecurity Integration Center (Within the Governor's Office of Emergency Services)	
CDT	California Department of Technology	
CHP	California Highway Patrol	
CMD	California Military Department	

DGS	California Department of General Services
GovOps	California Government Operations Agency
GO-Biz	California Governor's Office of Business and Economic Development
LWDA	California Labor and Workforce Development Agency
ODI	Office of Data and Innovation
STAC	State Threat Assessment Center (Within the Governor's Office of Emergency Services)

State Report on the Benefits and Risks of GenAI

As noted in the timeline of directives included in the Governor Newsom's Executive Order on AI, the first major product from the state is a risk-benefit analysis of the impacts of GenAI on the state and the residents of California. Several state agencies, led by GovOps, [released their findings in a report in November 2023](#). GovOps's research is based in large part on the National Institute of Standards and Technology (NIST)'s [AI Risk Management Framework](#). Overall, the scenarios examined in the report communicate that all components of our daily life may be affected by AI, and the harms and benefits to society cannot be neatly isolated. For example, AI technologies may improve the efficiency of many standard administrative tasks, allowing the human workforce to increase the quality of their output and reduce overtime. However, this same AI technology, depending on how it is applied, may also result in job replacement or displacement and negatively affect the workforce statewide, regardless of sector.

Notably, the state emphasized that GenAI raises novel risks compared to conventional AI, for society broadly. Readers should take note that the examples included in the report speak nearly exclusively to GenAI; across democratic and legal processes, biases and equity, health and safety, and the economy. The most significant risks of GenAI technology included in the report are the ability to spread false information, the capacity to amplify explicit and implicit biases as GenAI uses input data (as input data is created by humans), and the potential for risks to privacy security.

Although this report was conducted by state agencies for use by the Administration, the examinations of public uses of GenAI are applicable and relevant to all levels of government, including counties.

Highlights from the risk-benefit analysis include the following statements:

- *"Despite the capacity of GenAI to produce coherent, intelligent-sounding output, there is no guarantee that the output is accurate. In fact, many of the most widely available GenAI models were designed as a demonstration of what is possible, rather than to solve a specific use case or business purpose".* (Page 6)
- *"Leveraging GenAI to help experts translate government websites, public documents, policies, forms, and other materials into the various languages spoken in the State. This expands access to important information and services to non-native English speakers."* (Page 10)
- *"As models are increasingly able to learn and apply human psychology, models could be used to create outputs to influence human beliefs, addict people to specific platforms, or manipulate people to spread disinformation."* (Page 17)
- *"The difficulty in extracting human-interpretable explanations from GenAI technology is an important factor to consider for government to provide sufficient information about decisions that concern constituents."* (Page 22)

- *“As Californians’ right to remove their personal data online becomes more widely practiced, extracting and destroying their information embedded within GenAI models may become difficult or administratively unsustainable.” (Page 23)*

California Privacy Protection Agency

The California Privacy Rights Act (Proposition 24, 2020) created the [California Privacy Protection Agency](#) (CPPA) to protect the privacy rights and personal information of Californians. Pursuant to California Civil Code section [1798.185\(a\)\(16\)](#), the CPPA has the authority to issue regulations regarding consumer access to opt-out rights for a businesses’ use of automated decision-making technology. However, the term “automated decision-making technology” for the purposes of consumer safety and the regulatory authority of the CPPA is not defined in the current California Code of Regulations, [Title 11, Div. 6, Ch. 1](#). Via [draft regulations published in late 2023](#), the CPPA proposes to define “automated decision-making technology” as “*any system, software, or process—including one derived from machine-learning, statistics, or other data processing or AI—that processes personal information and uses computation as whole or part of a system to make or execute a decision or facilitate human decision making. Automated decision-making technology includes profiling.*” In other words, automated decision-making technology is when a computer program uses AI, data, rules, and criteria to make a decision, rather than a human.

The CPPA’s proposed [Automated Decisionmaking Technology Regulations](#) are a response to the increased public attention to AI in 2023, and to safeguard consumer privacy as related to widespread adoption of AI systems and automated decision-making technology by the private and public sector. Although widespread attention is being paid to the use of AI in automated decision-making technology today, in late 2017, New York City was the first local public entity in the United States to formally review and report on the public use of automated decision-making technology. The New York City Council created the [Automated Decision Systems Task Force](#) to “*develop a process for reviewing automated decision systems through the lens of equity, fairness and accountability.*”

The following list includes general examples of common automated decision-making technology used today:

- Autonomous vehicles (e.g., self-driving cars) use automated decision-making technology to replace human control of the vehicle. For example, the car makes decisions about when to brake, the rate of acceleration, which way to turn, etc.
- Online advertising uses automated decision-making technology to display specific, targeted advertisements to individuals based on their user data (e.g., Instagram’s advertising systems decided to show me an ad for Pepsi instead of Coca-Cola, basing its data of my transaction history obtained from grocery retailers using a debit or credit card that includes my identifying information).
- Some metropolitan fire departments use automated decision-making technology to prioritize building inspection schedules by using data from past fires to predict which buildings are the most vulnerable.

The CPPA’s draft regulations for automated decision-making technology includes a detailed, prescriptive process by which businesses must make customers aware of their use of automated decision-making technology and makes clear the consumer’s right to opt-out.

Across the Nation – Action by Other States

In addition to Governor Newsom's Executive Order in September 2023, several other states have had AI-related gubernatorial or legislative activity:

- In June 2022, Colorado's Governor Polis signed SB22-113 to create a task force for the consideration of AI facial recognition services.⁶
- In June 2023, Connecticut's Governor Lamont signed a bill to govern the use of AI and tasked the legislature to build an AI "bill of rights" based on the 2022 White House Blueprint for an AI Bill of Rights.⁷
- In July 2023, Texas' Governor Abbott signed HB 2060 to establish the AI Advisory Council of Texas, to oversee how state agencies are developing and using AI to ensure it is done responsibly.⁸
- In September 2023, Oklahoma's Governor Stitt issued Executive Order 2023-24 which established the Governor's Task Force on Emerging Technologies to study, evaluate, and develop recommendations for the responsible deployment of AI and GenAI.⁹
- In September 2023, Pennsylvania's Governor Shapiro issued Executive Order 2023-19 to expand and govern the use of generative AI technologies within the Commonwealth, including the state's use.¹⁰
- In September 2023, Virginia's Governor Youngkin issued Executive Directive No. 5 on use of AI: legal protections, policy standards, IT safeguards, and K-12 and higher education implications.¹¹
- In November 2023, Speaker of South Carolina's House of Representatives, Representative Murrell Smith, Jr., created a standing committee on AI.¹²

California State Legislation

- [AB 740 Elections: deceptive audio or visual media.](#) (Chapter 493, Statutes of 2019) - Authored by Assemblymember Marc Berman, this law applies to deepfakes and lower tech fabrications, and makes it illegal to knowingly or recklessly share deceptive audio or visual media of a political candidate with the intent to injure a candidate's reputation or to deceive a voter into voting for or against a candidate, unless the audio or visual media includes a disclosure that it has been manipulated.
- [SCR 17 AI.](#) (Chapter 135, Statutes of 2023) - Authored by Senator Bill Dodd, this chaptered Senate Concurrent Resolution was the first attempt by the California State Legislature to address AI's use at the state level. It committed the Legislature to examine and implement the principles outlined in the Blueprint for AI Bill of Rights published in 2022 by the Biden-Harris Administration.
- [SB 294 Health care coverage: independent medical review.](#) (Weiner, 2023) - Introduced towards the end of the 2023 legislative session as the Safety in AI Act, the original form of the bill intended to establish standards for the safe development and deployment of frontier AI models. However, it was amended at the beginning of the 2024 legislative year to address Independent Medical Review in healthcare.
- [AB 331 Automated decision tools.](#) (Bauer-Kahan, 2023) - This bill would prohibit algorithmic discrimination by prohibiting the use of an automated decision tool that

⁶ [SB22-113, Colorado](#)

⁷ [Connecticut AI Bill of Rights](#)

⁸ [HB 2060, Texas](#)

⁹ [Executive Order 2023-24, Oklahoma](#)

¹⁰ [Executive Order 2023-19, Oklahoma](#)

¹¹ [Executive Order No. 5, Virginia](#)

¹² [Standing Legislative Committee on AI, South Carolina](#)

results in algorithmic discrimination, establishing specified requirements on those who develop or deploy an automated decision tool, gives the California Civil Rights Department enforcement action, and authorizes the Attorney General and local prosecutorial authorities to bring civil action against a developer or deployer for violating this bill. AB 331 was held in the Assembly Committee on Appropriations, and CSAC has heard that the author intends to continue moving this issue forward.

- [SB 892 Public contracts: AI services: safety, privacy, and nondiscrimination standards.](#) (Padilla, 2024) - Introduced on the first day of the 2024 legislative session, this bill would require the California department of Technology to establish safety, privacy, and nondiscrimination standards relating to AI services and prohibits the state from entering into a contract for AI services unless the provider meets these standards.
- [SB 893 California AI Research Hub.](#) (Padilla, 2024) - Also introduced on the first day of the 2024 legislative session, this bill would require the Government Operations Agency, the Governor's Office of Business and Economic Development, and the California Department of Technology to collaborate to establish the California AI Research Hub within the Government Operations Agency. The bill would require the hub to serve as a centralized entity to facilitate collaboration between government agencies, academic institutions, and private sector partners to advance AI research and development that seeks to harness the technology's full potential for public benefit while safeguarding privacy, advancing security, and addressing risks and potential harms to society.
- [SB 896 AI Accountability Act.](#) (Dodd, 2024) – Also introduced on the first day of the 2024 legislative session, this bill would regulate the use of AI for state agencies, creates guidelines for state agencies, departments and subdivisions on how to review, adopt, and regulate technology that has automated decision-making capabilities. It also instructs California's Government Operations Agency, the California Department of Technology, and the Office of Data and Innovation to produce a report on the risks and benefits of AI in the state.
- [AB 1791 AI: technical open standards and content credentials.](#) (Weber, 2024) - While this bill does not have language yet, it states that it intends to require California-based generative AI companies to implement the Coalition for Content Provenance and Authenticity's¹³ technical open standard and content credentials into their tools and platforms.
- [AB 1824 AI: disclosure.](#) (Valencia, 2024) - To date, bill language has not been added but the author's stated intent is to enact legislation that would create a disclosure requirement for any content that is generated through AI.
- [AB 1831 Crimes: child pornography.](#) (Berman, 2024) - This bill would update the California Penal Code to criminalize the production, distribution, or possession of AI-generated depictions of child sexual abuse.

COUNTY ACTION

National Association of Counties (NACo) AI Exploratory Committee¹⁴

NACo convened an AI Exploratory Committee in June 2023 with the goal of assessing the state of AI and how AI policies, practices and potential use relate to county governance and operations. AI Exploratory Committee membership includes representation from California, with Supervisor Keith Carson (Alameda County, District 5) as one of the Committee's 16 members.

¹³ [Coalition for Content Provenance and Authenticity](#)

¹⁴ [NACo AI Exploratory Committee](#)

The Committee's scope of work includes developing a preliminary policy and practice toolkit with sample guidelines and standards for AI use by county governments.

To inform the development of the toolkit and guidelines, in December 2023 and January 2024, NACo conducted a nationwide survey of county governments regarding current AI use in their county work and any challenges they are facing. While the deadline for survey responses is not until January 31, 2024, early responses from California counties indicate the top three risks that counties view as the highest concern when implementing GenAI are privacy and data security, bias caused by AI or as a result of AI decision-making, and the accuracy of information and insights offered by AI. The early survey responses from California counties also indicated that the majority do not plan to include GenAI in their technology budget for the upcoming year and most of the responding counties see GenAI as a tool to address public sector workforce issues.

More information about the Committee and additional resources are available on the [NACo website](#).

Highlighting several California county AI guidelines or use policies

Santa Cruz County

Prior to the release of state and federal orders on AI, Santa Cruz County initiated development of county policies in [June 2023](#). The Santa Cruz County Board of Supervisors adopted their [AI Appropriate Use policy](#) three months later, in September 2023, that applies to all employees, contractors, and any third-party entities who have access to or use generative AI on behalf of the county. According to Santa Cruz County, *"The policy allows and encourages the continued use of AI in County operations while providing guidelines to avoid misuse and the sharing of sensitive information, and to continue to center human judgment in core decisions related to local government operations."* The use policy includes a list of county-approved AI tools: Bard (Google), ChatGPT (Open AI), Claude (Anthropic), and Scribe.

San Benito County

In October 2023, San Benito County's Information Technology Committee received a presentation on Proposed Guidelines¹⁵ for the usage of GenAI by staff, to adopt the proposed guidelines and authorize staff to amend as necessary for IT security and operational requirements.

Sacramento County

In November 2023, Sacramento County [released interim guidelines for GenAI](#) for the purpose of ensuring the use within Sacramento County government is purposeful, responsible, and informed, and to help county workforce members maximize the benefits and minimize the challenges. The county plans to replace the interim guidelines with policies and procedures. When conducting Sacramento County business, the use of AI-generated content must be disclosed and attributed.

Examples of CA county usage of AI

- A Human Resources Department uses AI for remote proctor testing during the hiring process to reduce the time related to verification of examinations.
- Many Sheriff's Departments use automated license plate readers (ALPR) that use AI algorithms to read, interpret, and analyze license plates captured by cameras and compare the plate number to stored lists of license plate numbers from vehicles of

¹⁵ [San Benito County. Proposed Guidelines for Using Generative Artificial Intelligence.](#)

interest, called *hot lists*. A 2020 report by the State Auditor of California found that 230 police and sheriff departments use an ALPR system and 36 planned to use one.¹⁶

- Several counties use PG&E AI-equipped cameras for the early detection of wildfires.
- Several county Public Works Directors are using AI to draft contracts and agreements (e.g., Entry Permits, telecom shared use agreements, etc.).

INTERNATIONAL ACTION

In April 2021, the European Commission proposed the first European Union regulatory framework for AI. According to the European Union, once approved, these will be the world's first rules on AI. The European Parliament's priority is *"to make sure that AI systems used in the EU are safe, transparent, traceable, non-discriminatory, and environmentally friendly. AI systems should be overseen by people, rather than by automation, to prevent harmful outcomes."* The European Parliament also wants to establish a technology-neutral, uniform definition for AI that could be applied to future AI systems. On December 9, 2023, the European Parliament reached a provisional agreement with the Council of the European Union on the AI act.¹⁷ The agreed text has yet to be formally adopted by both the European Parliament and the Council of the European Union to become European Union law.

CONCLUSION

Counties, other levels of government, and society are not operating under a shared understanding of AI and its associated terms. The risks surrounding AI are not fully known. While we try to wrap our heads around this rapidly evolving technology, we recognize the importance of honing in on the historic moment. This memo is a synthesis of the regulatory and legislative landscape as we see it currently. CSAC is committed to working diligently with the AI Steering Committee and Working Group to develop language for the CSAC County Platform and develop guiding principles to use AI safely and securely, assisting counties to continue in their responsibility to support all Californians.

¹⁶ [California State Auditor. Automated License Plate Readers. February 2020.](#)

¹⁷ [AI Act: deal on comprehensive rules for trustworthy AI](#)

Appendix A: Glossary of Key Terms¹⁸

Algorithm – The set of rules a machine (and especially a computer) follows to achieve a particular goal or solve a problem (i.e., a recipe, a procedure, a computation).

Algorithmic Discrimination – The use of an automated decision tool to contribute to unjustified differential treatment or outcomes that may have a significant effect on a person's life.

Artificial Intelligence (AI) – Also known as “machine learning”, it is the capability of computer systems or algorithms to imitate intelligent human behavior.

Automated Decision System – As defined in California's Government Code Section 11546.45.5 (a) (1), it is a computational process derived from machine learning, statistical modeling, or AI, that issues simplified output, including a score, classification, or recommendation, that is used to assist or replace human discretionary decision-making and materially impacts natural persons. An automated decision system does not include a spam filter, firewall, antivirus software, identity and access management tools, calculator, database, dataset, or other compilation of data.

Automated License Plate Reader (ALPR) – A camera that captures color images of license plates within its field of view. Fixed cameras are mounted on stationary objects, such as light poles, while mobile cameras are mounted on moving objects, such as patrol cars. Software extracts the license plate numbers from the images and stores the images, plate numbers, and dates, times, and locations of the image captures in a searchable database. An *ALPR* system consists of the cameras, the software (that reads and converts images of license plates into data), and a searchable database that stores the data. Although the primary focus of each image is the license plate, the image may also show part of the vehicle itself, including individuals within the vehicle, depending on the camera's position.

Datasets – A collection of data taken from a single source or intended for a single project.

Deepfake – As defined in California's Government Code Section 11457.5 (a) (1), it is audio or visual content that has been generated or manipulated by AI which would falsely appear to be authentic or truthful and which features depictions of people appearing to say or do things they did not say or do without their consent.

Deep Learning – A form of machine learning in which the computer network rapidly teaches itself to understand a concept without human intervention by performing a large number of iterative calculations on an extremely large dataset.

Effective Accelerationism – or “e/acc”- a movement that has picked up steam by calling for rapid innovation with limited political oversight.

Expert Systems – Computer software that attempts to mimic the reasoning of a human specialist. One of the earliest forms of AI.

¹⁸ Definitions provided in part by [Merriam-Webster](#) and the [New York Times](#)

Generative Artificial Intelligence (GenAI) – AI that is capable of generating new content (such as images or text) in response to a submitted prompt by learning from a large reference database of examples.

Machine Learning – A computational method that is a subfield of AI and that enables a computer to learn to perform tasks by analyzing a large data set without being explicitly programmed.

Neural Network – A computer architecture in which a number of processors are interconnected in a manner suggestive of the connections between neurons in a human brain and which is able to learn by a process of trial and error.

Appendix B: Survey Results, Artificial Intelligence and California Counties

CSAC 2024 Artificial Intelligence Survey

The California State Association of Counties launched this survey to assess the scope, scale, and impact on counties of the advancement of artificial intelligence in our society.

33 of California's 58 counties responded to the survey between December 20, 2023 and January 8, 2024.

Question 1: Does your county have an adopted policy or guidelines on the use of artificial intelligence?

Response Count

Yes: 3

No: 17

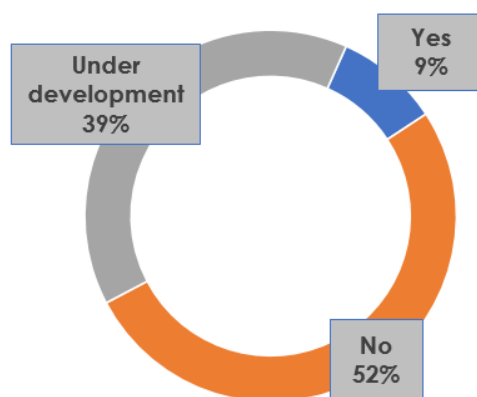
Under development: 13

Counties that have policies or guidelines:

Nevada County

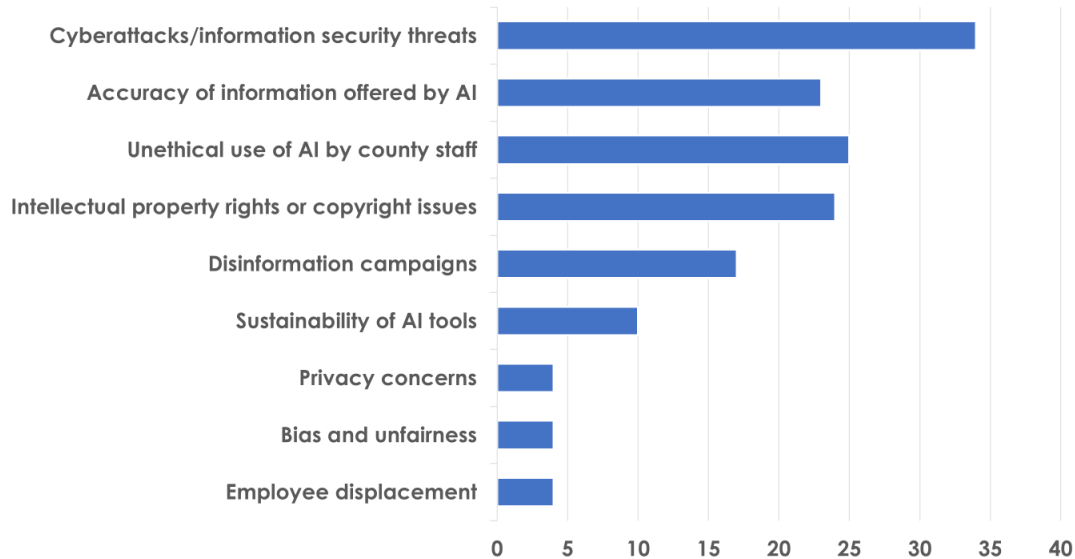
Santa Cruz County

San Francisco City/County



*List of counties that have policies or guidelines represents counties that participated in this survey.

Question 2: What concerns does your county have regarding the impacts of AI on government operations?



Question 3: How well prepared is your county to implement and oversee AI systems? What resources does your county need to become more prepared?

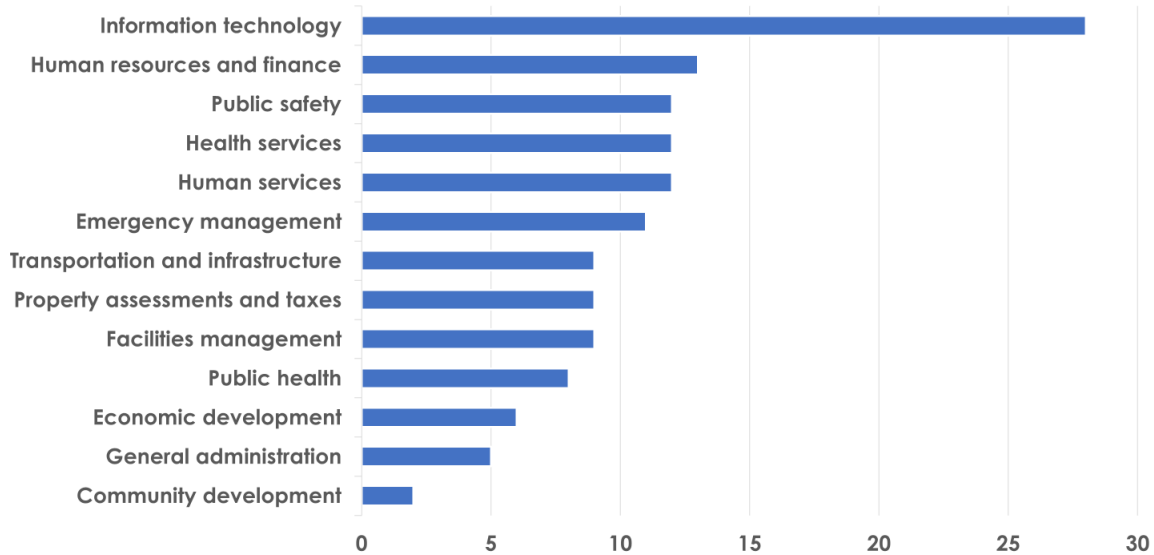
28 counties responded to this question, summarized below:

- **14 counties** reported that they are not prepared.
- **9 counties** reported that they are “learning” or “ramping up.”
- **5 counties** reported that they are well prepared.

Response highlights that are representative of common themes:

- “All things AI would require an investment of funding and talent, both of which are ongoing challenges for most basic county services.”
- “There are so many unknowns still it is difficult to confidently characterize ourselves as well prepared.”

Question 4: What areas of your operations use AI currently or are most likely to use AI in the future?



Question 5: How does your county currently (or plan to) use AI for the areas of operations identified in the previous question?



Question 6: Please share information or data regarding your county's experiences with AI and how it will be applied to or effect government operations, including elaborating on the responses provided in question 5."

20 counties responded to this question. Response highlights that are representative of common themes:

- "We will be investigating enhanced productivity that incorporates both increased efficiency and process automation leading to process improvement, and ability to focus on more important work."
- "Currently we are planning to test with Microsoft Copilot, once it becomes available to government in summer of 2024."
- "We are experimenting with leveraging AI for application development with code generation which has resulted in 25-40% efficiency."

Appendix C: Additional Resources on Artificial Intelligence

- [Federal Website on Artificial Intelligence: Jobs and Resources](#)
- [California Department of Technology's AI Community](#)
- [Gershenson, L., Liebert, D. Democracy On Edge in the Digital Age. Protecting Democracy in California in the Era of AI Powered Disinformation and Unregulated Social Media.](#) (January 2024)
- [Trump-Pence Administration. AI for the American People.](#) (May 2018)
- [Little Hoover Commission. AI: A Roadmap for California.](#) (November 2018)