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CITY COUNCILMEMBER DISTRICT 5

REVISED
AGENDA MATERIAL

Meeting Date: January 5, 2026

Item Number: 27

Item Description: Citywide Guidelines on Artificial Intelligence

Submitted by: Councilmember O'Keefe

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To: Honorable Mayor and Members of the City Council
From: Councilmember Shoshana O'Keefe (Author) and Councilmember Brent Blackaby (Co-Sponsor)
Subject: Citywide Guidelines on Artificial Intelligence

RECOMMENDATION

Refer to the City Manager to develop official, citywide guidelines for the secure, ethical, and effective use of Artificial Intelligence (AI) tools by City of Berkeley employees. The policy should align with Berkeley's values, promote innovation and progress, and safeguard privacy and public trust.

The City Manager should review policies adopted by other California cities and develop Berkeley-specific principles to guide staff usage of AI. The following principles should form the foundation of Berkeley's policy:

1. Create safeguards against introduction of bias through use of AI systems
2. Protect data privacy and ensure cybersecurity compliance
3. Maintain human oversight and accountability
4. Explore opportunities to integrate AI into operations management
5. Foster collaboration and cross-departmental exchange of AI knowledge
6. Ensure transparency and compliance with Public Records Laws
7. Periodic review and improvement

Developing a clear and responsible AI policy will help the City of Berkeley harness emerging technologies to better serve the community while upholding equity, integrity, and public confidence in city operations and services.

BACKGROUND

In recent years, the development and adoption of generative artificial intelligence tools – or AI that can generate text, images, and other content based on prompts from a user and the data it was trained on – has accelerated dramatically. California, specifically, is at a unique juncture as both the birthplace of AI and the home to a majority of top AI companies in the world.[1]

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[1] California, S. of. (2025, September 29). Governor Newsom signs SB 53, advancing California's world-leading artificial intelligence industry. Governor of California. https://www.gov.ca.gov/2025/09/29/governor-newsom-signs-sb-53-advancing-californias-world-leading-artificial-intelligence-industry/

The rapid rise of AI provides both an opportunity and a challenge for public and private sector employers and organizations. According to a survey conducted by the National Bureau of Economic Research, "as of late 2024, nearly 40 percent of the U.S. population age 18-64 uses generative AI. 23 percent of employed respondents had used generative AI for work at least once in the previous week, and 9 percent used it every work day."[2]

When used responsibly, artificial intelligence can automate repetitive tasks, facilitate efficiency, support decision making and advanced data analysis, and minimize errors. For local governments operating with limited resources and navigating staffing shortages, these tools can assist with communications and the delivery of public goods and services. However, the usage of AI is not without its risks and concerns. The technology also introduces ethical, legal, and operational risks including those related to privacy, cybersecurity, bias in decision making, accuracy, and transparency.

As the usage of AI becomes more common in the workplace, cities and counties across California have developed guidelines for employees including San Francisco[3], San Jose,[4] Long Beach,[5] and Santa Cruz County.[6] With no official citywide policy, City of Berkeley employees are left using their best judgement when it comes to the appropriate uses of AI. Therefore, the City must ensure that the use of AI aligns with its values of equity, innovation, and progress. This item proposes the development of guidelines for City of Berkeley staff based on best practices from other jurisdictions, which include the following:

Addressing Bias
City Staff should use caution when procuring or using any artificial intelligence systems that have documented or reasonably identifiable bias, discriminatory outcomes, or fairness concerns. Numerous instances of AI bias have been documented in the law enforcement, criminal justice, and healthcare industries.[789] San Francisco's guidelines include monitoring for and manually correcting instances of bias.

[2] Bick, A., Blandin, A., & Deming, D. (2024). The rapid adoption of Generative AI. National Bureau of Economic Research . https://doi.org/10.3386/w32966

[3] San Francisco generative AI guidelines. City of San Francisco . (2025, July 8). https://www.sf.gov/reports--july-2025--san-francisco-generative-ai-guidelines

[4] San José AI guidelines and policies. City of San José. (2025). https://www.sanjoseca.gov/your-government/departments-offices/information-technology/itd-generative-ai-guideline

[5] Generative AI guidance. City of Long Beach . (n.d.). https://www.longbeach.gov/smartcity/projects/generative-ai-guidance/

[6] County of Santa Cruz Artificial Intelligence Appropriate Use Policy . County of Santa Cruz . (2023, September 13). https://www2.santacruzcountyca.gov/personnel/vpolandproc/ProceduresManual/PM6476.pdf

[7] Artificial Intelligence in Predictive Policing Issue Brief. NAACP. (n.d.). https://naacp.org/resources/artificial-intelligence-predictive-policing-issue-brief

[8] Taylor, J. (n.d.). Code without conscience: How ai discrimination puts black lives at risk. NCNW. https://ncnw.org/code-without-conscience-how-ai-discrimination-puts-black-lives-at-risk/

[9] Glass , M. (2023, February 23). Algorithms were supposed to reduce bias in criminal justice-do they?. Boston University. https://www.bu.edu/articles/2023/do-algorithms-reduce-bias-in-criminal-justice/

Data Protection
The City should develop careful and detailed policies surrounding the input of sensitive, confidential, or legally protected data – such as personally identifiable information, health information, or privileged communications – into AI tools. Though there are AI tools designed to work specifically with private data, all AI usage must comply with City data protection policies, cybersecurity standards, and state and federal privacy laws. Long Beach prohibits the use of certain AI systems that carry serious concerns about privacy, transparency, and security.

Human Oversight
While AI may support human judgement in decision-making, it must never replace human oversight. Staff remain responsible for the content, recommendations, and decisions made with the assistance of AI. Consequential decisions that impact human welfare and stand to have a high-impact – such as those affecting rights, benefits, or public services – must undergo human review and sign-off. In certain cases, the use of AI should be prohibited entirely. Santa Cruz County prohibits the use of AI to make decisions related to hiring, benefits, or other sensitive matters where bias could play a role.

AI Integration in Operations
Incorporating AI into operations management could help improve efficiency, consistency, and service quality. When implemented thoughtfully, AI could help support staff and increase organizational resilience. Other potential positive benefits could include improved service delivery and maximizing the impact of limited public resources.

Cross-Department Collaboration
The City should consider how best to encourage the proactive sharing of insights and best practices across departments. This could include quarterly or annual staff meetings that promote the exchange of information, ensuring refinement over time and continuous innovation.

Public Records Act Compliance
AI-generated materials created or used for official City business are city records and may be subject to the California Public Records Act (PRA). Staff should preserve such records accordingly.

Review and Improvement
The artificial intelligence landscape is quickly evolving. The City should consider reviewing and amending its AI guidelines annually to reflect feedback from staff, changes in state and federal law, and advances in technology.

REVIEW OF EXISTING PLANS, PROGRAMS, POLICIES, AND LAWS
While currently the City of Berkeley has not yet adopted a formal policy guiding staff usage of artificial intelligence, it is our understanding that a draft AI Administrative Regulation is under development by the City Manager, and this item is intended to inform that process.

Recognizing the AI sector is ripe for regulation, the State of California recently became the first in the nation to adopt an artificial intelligence transparency and safety law – dubbed the Transparency in Frontier Artificial Intelligence Act. Additionally, the state also recently adopted a new series of regulations, specifically addressing Automated Decision-Making Technology in employment decisions due to concerns over bias.[10] With the state recognizing the impact and consequences of unregulated artificial intelligence, there is also opportunity for local leadership and governance.

ACTIONS/ALTERNATIVES CONSIDERED
While the City may choose not to take action on artificial intelligence, City employees may already be using AI tools to support their work. Without proper guidance and oversight, there could be many consequences to unregulated AI use, including the spread of misinformation, data and privacy risks, poor or biased decision making, and more. Right now, the City has an opportunity to lead by providing its workforce with a guided approach.

Should the City Manager decide not to pursue official guidelines, the City could consider creating risk tiers – based on San Jose's model – that can help employees understand when additional review is necessary.[11]

AI Risk Levels for Generative AI

Risk Level	What It Means	Example Uses
Low Risk	No private info, for internal drafts	Writing internal emails
Medium Risk	Needs careful review, public-facing	Drafting a City memo
High Risk	Could affect people's rights or safety	Hiring decisions, legal info – not allowed without special approval

CONSULTATION/OUTREACH OVERVIEW AND RESULTS
Councilmember O'Keefe's office consulted with the City Manager's office on the guidelines and the City Manager expressed interest in pursuing the policy. Councilmember O'Keefe has also consulted with the Office of the City Attorney.

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[10]California, S. of. (2025a, June 30). Civil Rights Council secures approval for regulations to protect against employment discrimination related to Artificial Intelligence. Civil Rights Department. https://calcivilrights.ca.gov/2025/06/30/civil-rights-council-secures-approval-for-regulations-to-protect-against-employment-discrimination-related-to-artificial-intelligence/
[11]San José AI guidelines and policies . City of San José. (n.d.). https://www.sanjoseca.gov/your-government/departments-offices/information-technology/itd-generative-ai-guideline

RATIONALE FOR RECOMMENDATION

The City of Berkeley currently has no official citywide policy or guidance for employees who wish to use artificial intelligence to support their work. While a draft AI Administrative Regulation is under development by the City Manager, the City has an opportunity to use this item to help inform and shape that forthcoming guidance. With other cities adopting policies to ensure that AI is used securely, responsibly, and transparently, Berkeley should similarly work toward developing its own framework grounded in best practices.

As AI continues to integrate across all sectors, its role in municipal operations is likely to expand. To keep pace with this evolving technological landscape, the City of Berkeley should proactively advance policy development that safeguards privacy, maintains public trust, and provides clear direction for staff use of AI tools. Consideration of this item by the City Council will help ensure that the final Administrative Regulation reflects both policy priorities and community values.

ENVIRONMENTAL SUSTAINABILITY

N/A

FISCAL IMPACTS

Staff time.

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