

LEGISLATIVE DIGEST

[Administrative Code - Artificial Intelligence Inventory, Impact Assessment, and Procurement Standards]

Ordinance amending the Administrative Code to establish a process for creating a publicly available inventory of Artificial Intelligence (“AI”) the City procures, and to develop an impact assessment standard for the City’s procurement of AI.

Existing Law

Existing law does not address the procurement of Artificial Intelligence (“AI”) systems or products by the City.

Amendments to Current Law

This ordinance would amend the Administrative Code by adding Section 22J to the San Francisco Administrative Code to:

- (i) establish a process for creating and publishing an inventory of AI systems currently in use and to be procured in the future by the City;
- (ii) require the development of impact assessment standards for all AI tools used by the City;
- (iii) require the City to adopt standards for the development and procurement of AI tools by the City; and
- (iv) delegate to the various responsibilities necessary to implement these tasks.

Background Information

Local governments have been using AI products since the early 1990s. However, beginning in the 2010s significant advancements in AI technology, including machine and deep learning, led to a surge in adoption of various products by local governments. With the recent advent of Generative AI products like Chat GPT and others that produce original content, the potential benefits and risks to San Francisco residents and workers has increased.

Policy makers are trying to avoid past mistakes, like the failure to regulate social media before it led to many societal harms and find ways to protect human beings from the worst predictable problems of this newest wave of technological advancement.

The City wants to both harness the benefits and protect against harms of emerging AI technology. To do that, it is important that policy makers and the public understand what AI technologies the City is using and will use in the future.

The City has a decentralized Information Technology (“IT”) system. Most City departments have their own IT units and as of 2024 the City’s Department of Technology (“DT”) did not generally know what AI products and systems were in use by departments. This ordinance would require the City create a publicly available inventory of all AI systems currently in use by departments. The list would be published by the Department of Technology on a public facing single Internet site within six months of the effective date of the ordinance and would be updated on a rolling basis.

The City CIO would also be responsible for drafting an Impact Assessment of AI Systems currently in use and to be procured by the City in the future which at a minimum would consider the following:

- (1) The individuals and communities that will interact with the system;
- (2) How the information or decisions generated by the system could impact an individual’s rights, freedoms, economic status, health, health care, or well-being;
- (3) How users with diverse abilities will interact with the user interface of the system and whether the system integrates and interacts with commonly used assistive technologies;
- (4) Whether the system is expected to replace any jobs currently being performed by human beings;
- (5) Why the City purchased or intends to purchase the product;
- (6) Steps to be taken to mitigate the risk of the AI use or system; and
- (7) Any other information the CIO or COIT deem appropriate, including but not limited to modifications to items (1) through (6).

The CIO would also draft AI Development and Procurement Standards which would assess the risk for the City’s use of particular types of AI technology. The CIO would recommend whether to procure the technology and the risk mitigation required before the technology was used. A department’s decision to proceed with the procurement of the technology and the CIO’s recommendation would be documented and published as part of the AI Inventory.

City Departments would be required to complete and return the Inventory to the CIO, notify the Department of Technology of any updates to published inventory, participate in and facilitate a timely and accurate AI Impact Assessment; and adhere to the process established in AI Procurement and Development Standards.