BOARD of SUPERVISORS

City Hall
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San Francisco 94102-4689
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TDD/TTY No. (415) 554-5227

M E M O R A N D U M

TO: Tom Paulino - All City Departments, via the Mayors Offices

FROM: Victor Young, Assistant Clerk   *Victor Young*

DATE: October 21, 2024

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Rules Committee received the following proposed
            Ordinance:

    File No. 2401022

    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.

If you have comments or reports to be included with the file, please forward them to
Victor Young at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B.
Goodlett Place, San Francisco, CA 94102 or by email at: victor.young@sfgov.org.

c: Andres Power, Mayor's Office

File Number: 241022	**File Type:** Ordinance		**Status:** 30 Day Rule

Enacted:	**Effective:**

Version: 1	**In Control:** Rules Committee

File Name: Administrative Code - Artificial Intelligence Inventory, Impact Assessment, and Procurement Standards	**Date Introduced:** 10/15/2024

Requester:	**Cost:**	**Final Action:**

Comment:	**Title:** 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.

Sponsors: Ronen; Peskin, Chan, Preston and Walton

History of Legislative File 241022

Ver	Acting Body	Date	Action	Sent To	Due Date	Result
1	President	10/15/2024	ASSIGNED UNDER 30 DAY RULE	Rules Committee	11/14/2024	

1   [Administrative Code - Artificial Intelligence Inventory, Impact Assessment, and Procurement
    Standards]
2

3   **Ordinance amending the Administrative Code to establish a process for creating a**

4   **publicly available inventory of Artificial Intelligence ("AI") the City procures, and to**

5   **develop an impact assessment standard for the City's procurement of AI.**

6

7   NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
                     Additions to Codes are in *single-underline italics Times New Roman font*.
8   **Deletions to Codes** are in ~~*strikethrough italics Times New Roman font*~~.
                     Board amendment additions are in <u>double-underlined Arial font</u>.
9   **Board amendment deletions** are in ~~double-underlined Arial font~~.
                     Asterisks (*   *   *) indicate the omission of unchanged Code
10   subsections or parts of tables.

11

12   Be it ordained by the People of the City and County of San Francisco:

13   Section 1. The Administrative Code is hereby amended by adding new Chapter 22J

14 consisting of Sections 22J.1, 22J.2, 22J.3, and 22J.4, to read as follows:

15

16   *CHAPTER 22J: ARTIFICIAL INTELLIGENCE TOOLS*

17   *SEC. 22J.1. BACKGROUND AND FINDINGS.*

18   *(a) Many technologists, historians, scientists, elected officials, and other societal leaders*

19 *believe that the advent of Artificial Intelligence that has advanced significantly with the release of*

20 *generative systems is revolutionizing, and will continue to revolutionize, our world.*

21   *(b) Local governments have been using AI products since the early 1990s. However, beginning*

22 *in the 2010s, significant advancements in AI technology, including machine and deep learning, led to a*

23 *surge in acquisition of various products by local governments. With the advent of Generative AI*

24 *products like Chat GPT and others that produce original content, the potential benefits and risks to San*

25 *Francisco residents and workers have increased.*

1   *(c) Policymakers are trying to avoid repeating past mistakes with technological developments,*

2   *like the failure to regulate social media before it led to many societal harms, and find ways to protect*

3   *human beings from the worst predictable problems of this newest wave of technological advancement.*

4   *(d) While the City government, as with all levels of government, continues to develop the best*

5   *tools for the City to both harness the benefits and protect against the harms of emerging AI technology,*

6   *it is important that policymakers and the public understand the AI technologies the City is using and*

7   *will use in the future.*

8   *(e) The City has a decentralized Information Technology (IT) system. Most City departments*

9   *have their own IT units and as of 2024 the City's Department of Technology ("DT") did not generally*

10   *know which AI products and systems were in use by departments.*

11   *(f) This Chapter 22J remedies this problem by requiring the City's Chief Information Officer*

12   *("CIO") to create a public inventory of AI products used within City government. The inventory will*

13   *include basic facts about the technology including its purpose, accuracy, biases, and limits.*

14   *(g) This Chapter also directs the CIO to conduct an analysis of the products in the inventory to*

15   *determine the impacts of these technologies on human beings living and working in San Francisco, and*

16   *to develop procurement standards.*

17   *(h) As of 2024, the City used AI products in a variety of ways. Here are just a few illustrative*

18   *examples:*

19   *(1) The Department of Technology used AI to review activity on IT infrastructure for network*

20   *security, intrusion detection, and to identify other potential cybersecurity threats.*

21   *(2) The SF311 mobile application used AI to make upfront service type recommendations based*

22   *on the user's description or picture of the issue. A model had been trained on years of service request*

23   *(SR) data.*

24   *(3) The Department of Public Health (DPH) Radiology Department used an AI-based medical*

25   *imaging tool to support the confirmatory diagnosis of cerebrovascular events (strokes). The AI system*

1   *reviewed imaging studies (CT scans) and provided supporting information to the physicians who make*

2   *the diagnoses.*

3   *(i) The use of AI products by local governments can offer many benefits including but not*

4   *limited to increased efficiency and effectiveness of public services, quick and accurate analysis of large*

5   *volumes of data, automation of routine administrative tasks, facilitation of communication between*

6   *residents and their local government through chatbots and virtual assistants, and prediction of*

7   *potential hazards.*

8   *(j) However, with the increased use of AI products, local governments also potentially subject*

9   *their workers, residents, and visitors to new risks, including:*

10   *(1) Privacy Concerns: AI systems often collect, store, and analyze vast amounts of data, which*

11   *can include personal information of individuals. This raises concerns about privacy breaches,*

12   *unauthorized data sharing, and surveillance, potentially leading to a loss of anonymity in public*

13   *spaces.*

14   *(2) Bias and Discrimination: AI algorithms can perpetuate or amplify existing biases if they are*

15   *trained on data that reflects societal inequities. This can result in discriminatory outcomes in areas*

16   *such as law enforcement, housing, and public services, disproportionately affecting marginalized*

17   *communities.*

18   *(3) Lack of Transparency: Many AI systems operate as "black boxes," meaning the processes*

19   *and decision-making criteria are not transparent to users or the public. This can erode trust and make*

20   *it challenging for individuals to understand how decisions that affect their lives are made.*

21   *(4) Job Displacement: The automation of certain government functions through AI can lead to*

22   *job losses in the public sector or in industries reliant on those functions, impacting the employment*

23   *landscape and economic stability of communities.*

24

25

1	*(5) Security Risks: AI systems can be vulnerable to cyberattacks and exploitation. If malicious*
2	*actors gain access to these systems, they can manipulate data, disrupt services, or compromise*
3	*sensitive information, potentially leading to significant harm to individuals.*
4	*(6) Dependence on Technology: Increasing reliance on AI for critical services may create*
5	*vulnerabilities. Technical failures or misconfigurations can result in service interruptions or errors that*
6	*affect public safety and welfare.*
7	*(7) Ethical Concerns: The application of AI in sensitive areas (e.g., policing, social services)*
8	*raises ethical concerns about the appropriateness of AI decisions in life-altering contexts, such as risk*
9	*assessment for individuals involved in the justice system or the allocation of social support.*
10	*(8) Erosion of Civil Liberties: Heightened surveillance and data collection through AI can*
11	*infringe on civil liberties, prompting concerns about the potential overreach of government authority*
12	*and reduced freedoms for individuals.*
13	*(9) Public Mistrust: The combination of the above risks can lead to a general sense of mistrust*
14	*in government, where residents may feel that the government is not acting in their best interests or that*
15	*their rights are being compromised.*
16	*(k) In order to promote the ethical, responsible, and transparent use of AI tools, this Chapter*
17	*develops impact assessment standards for their procurement. These standards include a risk*
18	*assessment procedure that analyzes specified characteristics of the AI tool, appropriate risk controls,*
19	*and adverse incident monitoring procedures.*
20	***SEC. 22J.2. DEFINITIONS.***
21	*For the purposes of this Chapter 22J, the following definitions shall apply:*
22	*"AI" means Artificial Intelligence.*
23	*"Algorithms" means a set of rules that a machine follows to generate an outcome or a*
24	*decision.*
25	

1   *"Artificial Intelligence" means an engineered or machine-based system that varies in its level*

2 *of autonomy and that can, for explicit or implicit objectives, infer from the input it receives how to*

3 *generate outputs that can influence physical or virtual environments.*

4   *"Chatbot" means a computer program that simulates conversations.*

5   *"CIO" means the City's Chief Information Officer, or designee.*

6   *"City" means the City and County of San Francisco.*

7   *"COIT" means the Committee on Information and Communications Technology or one of its*

8 *committees.*

9   *"Department" means any unit or component of City government, including but not limited to*

10 *boards and commissions, departments, offices, agencies, or officials..*

11   *"Training Data" means the dataset that is used by a machine learning model to learn the rules.*

12   ***SEC. 22J.3. ROLES AND RESPONSIBILITIES.***

13   *(a) City Chief Information Officer. Within six months of the effective date of this Chapter 22J,*

14 *the CIO shall distribute a list of questions regarding AI technology in use from Departments, collect the*

15 *responses and begin publishing the responses on a publicly available website. Within a year of the*

16 *effective date, the inventory shall be complete and it shall be updated as systems are put into use. The*

17 *inventory shall require Departments to disclose the products or systems that include AI technology the*

18 *Department has procured, and for each product shall disclose the following information:*

19   *(1) A brief description of the system's purpose and function;*

20   *(2) The intended use of the system;*

21   *(3) The context or domain in which the system is intended to be used;*

22   *(4) The data used to train the system;*

23   *(5) A high-level explanation of how the system works;*

24   *(6) A description of the data fed into the system and the data generated by the system;*

25

1   *(7)   A description of what the system is optimizing for, and its accuracy, preferably with*

2   *numerical performance metrics (e.g., BiLingual Evaluation Understudy (BLEU) scores for AI language*

3   *translation tools);*

4   *(8)   Conditions necessary for the system to perform optimally (e.g., outdoor cameras*

5   *with AI technology performing well in sunny weather);*

6   *(9)   Conditions under which the system's performance would decrease in accuracy (e.g.,*

7   *outdoor cameras with AI technology possibly performing sub-optimally on rainy or cloudy days);*

8   *(10)   Whether testing has been performed to identify any bias in the system, such as bias*

9   *based on race, gender, etc., and the results of those tests;*

10   *(11)   A description of how and where users report bias, inaccuracies, or poor*

11   *performance of the system;*

12   *(12)   A description of the conditions or circumstances under which the system has been*

13   *tested;*

14   *(13)   A description of adverse incident monitoring procedures and communication;*

15   *(14)   A description of the level of human oversight associated with the system;*

16   *(15)   A description of whether the data collected will or can be used for training of*

17   *proprietary vendor or third-party systems; and*

18   *(16) Any other information the CIO or the Committee on Information Technology*

19   *(COIT) deem appropriate.*

20   *(b) Within a year of the effective date of this Chapter 22J, the CIO shall be responsible for*

21   *creating a process to conduct an AI Impact Assessment on all AI products or systems used by the City.*

22   *The CIO's AI Impact Assessment shall be included in the information provided publicly in the City's AI*

23   *inventory. The CIO may include input from relevant Departments, labor unions, and public interest or*

24   *non-profit organizations when conducting the AI Impact Assessment. The CIO shall perform AI Impact*

25   *Assessment on all AI products with the exception of products that do not in any way impact the public's*

1   *or an individual's rights, opportunities, or access to critical needs. Examples of products that do not*

2   *need an AI Impact Assessment include systems for document management, grammar or spell checkers,*

3   *and email filtering. At minimum, where relevant, the AI Impact Assessment shall include the following:*

4   *(1) The individuals and communities that will interact with the system;*

5   *(2) How the information or decisions generated by the system could impact an*

6   *individual's rights, freedoms, economic status, health, health care, or well-being;*

7   *(3) How users with diverse abilities will interact with the user interface of the system*

8   *and whether the system integrates and interacts with commonly used assistive technologies;*

9   *(4) Whether the system is expected to replace any jobs currently being performed by*

10   *human beings;*

11   *(5) Why the City purchased or intends to purchase the product;*

12   *(6) Steps to be taken to mitigate the risk of the AI use or system; and*

13   *(7) Any other information the CIO or COIT deem appropriate, including but not limited*

14   *to modifications to items (1) through (6).*

15   *(c) The CIO shall be responsible for drafting and implementing AI Development and*

16   *Procurement Standards which shall include a risk assessment for the City's use of AI technology. The*

17   *CIO will make a recommendation whether to procure and/or implement the AI technology and the*

18   *required risk mitigation for the AI technology before it is used. A Department's decision to proceed*

19   *with the procurement and/or implementation of the AI technology and the CIO recommendation will be*

20   *documented as part of the AI inventory.*

21   *(d) The Department of Technology ("DT") shall provide and manage a public facing single*

22   *Internet site (web portal) for the Inventory.*

23   *(e) Each Department shall:*

24   *(1) Complete and return the Inventory to the CIO;*

25   *(2) Notify DT of any updates to published vendor questionnaires;*

1   *(3) Participate in and facilitate a timely and accurate AI Impact Assessment; and*

2   *(4) Adhere to the process established within the AI Procurement and Development*

3   *Standards.*

4   ***SEC. 22J.4. PROMOTION OF THE GENERAL WELFARE.***

5   *In enacting and implementing this Chapter 22J, the City is assuming an undertaking only to*

6   *promote the general welfare. It is not assuming, nor is it imposing on its officers and employees, an*

7   *obligation for breach of which it is liable in money damages to any person who claims that such breach*

8   *proximately caused injury.*

9

10   Section 3. Effective Date. This ordinance shall become effective 30 days after

11   enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the

12   ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board

13   of Supervisors overrides the Mayor's veto of the ordinance.

14

15   APPROVED AS TO FORM:
     DAVID CHIU, City Attorney

16

17

18   By: /s/
                MARGARITA GUTIERREZ
19   Deputy City Attorney

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21

22

23

24

25

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.

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Introduction Form

(by a Member of the Board of Supervisors or the Mayor)

BOARD OF SUPERVISORS
SAN FRANCISCO
2024 OCT 15 PM 2:50

I hereby submit the following item for introduction (select only one):

■ 1. For reference to Committee (Ordinance, Resolution, Motion or Charter Amendment)

☐ 2. Request for next printed agenda (For Adoption Without ~~Committee Reference~~) *(Routine, non-controversial and/or commendatory matters only)*

☐ 3. Request for Hearing on a subject matter at Committee

☐ 4. Request for Letter beginning with "Supervisor _____ inquires…"

☐ 5. City Attorney Request

☐ 6. Call File No. _____ from Committee.

☐ 7. Budget and Legislative Analyst Request (attached written Motion)

☐ 8. Substitute Legislation File No. _____

☐ 9. Reactivate File No. _____

☐ 10. Topic submitted for Mayoral Appearance before the Board on _____

The proposed legislation should be forwarded to the following (please check all appropriate boxes):

☐ Small Business Commission   ☐ Youth Commission   ☐ Ethics Commission

☐ Planning Commission   ☐ Building Inspection Commission   ☐ Human Resources Department

General Plan Referral sent to the Planning Department (proposed legislation subject to Charter 4.105 & Admin 2A.53):

☐ Yes   ■ No

(Note: For Imperative Agenda items (a Resolution not on the printed agenda), use the Imperative Agenda Form.)

Sponsor(s):

Ronen, Peskin, Chan, Preston

Subject:

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

Long Title or text listed:

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.
* We kindly request this ordinance be assigned to the Rules Committee.

Signature of Sponsoring Supervisor: /s/ Hillary Ronen

Supervisor Ronen is submitting the attached ordinance, "Administrative Code - Artificial Intelligence Inventory, Impact Assessment, and Procurement Standards". The ordinance is co-sponsored by Supervisors Peskin, Chan, and Preston. Below is written confirmation of Supervisor Peskin and Chan's co-sponsorship. Preston Kilgore will be sending written confirmation of Supervisor Preston's co-sponsorship.

Please note our request that the ordinance be assigned to Rules Committee.

Thank you,
Sheila

Sheila Chung Hagen
Legislative Aide | District 9
Supervisor Hillary Ronen
Pronouns: She/Her/Ella
Website

***
From: Peskin, Aaron (BOS) aaron.peskin@sfgov.org
Sent: Tuesday, October 15, 2024 2:15 PM
To: Chung Hagen, Sheila (BOS) sheila.chung.hagen@sfgov.org; Yan, Calvin (BOS) calvin.yan@sfgov.org
Cc: Ronen, Hillary (BOS) hillary.ronen@sfgov.org; Horrell, Nate (BOS) nate.horrell@sfgov.org
Subject: RE: Administrative Code -Artificial Intelligence Inventory, Impact Assessment, and Procurement Standards

Please add my name.
***

From: Chan, Connie (BOS) connie.chan@sfgov.org
Sent: Tuesday, October 15, 2024 2:22 PM
To: Chung Hagen, Sheila (BOS) sheila.chung.hagen@sfgov.org; Hsieh, Frances (BOS) frances.hsieh@sfgov.org
Cc: Ronen, Hillary (BOS) hillary.ronen@sfgov.org

Subject: RE: Administrative Code -Artificial Intelligence Inventory, Impact Assessment, and Procurement Standards

Thank you, Sheila, yes to cosponsor the legislation and thank you for checking. -- Connie

Connie Chan
陳詩敏 市參事
District 1 Supervisor
San Francisco Board of Supervisors

Office Contact:
chanstaff@sfgov.org | (415) 554-7410
https://sfbos.org/supervisor-chan-newsletter

***

Confirmed on behalf of Supervisor Preston. Thanks!

Preston Kilgore
Pronouns: He/Him
Chief of Staff | District 5
Supervisor Dean Preston
Sign up for the District 5 Newsletter here!

From: Chung Hagen, Sheila (BOS) <sheila.chung.hagen@sfgov.org>
Sent: Tuesday, October 15, 2024 2:30 PM
To: BOS Legislation, (BOS) <bos.legislation@sfgov.org>
Cc: Ronen, Hillary (BOS) <hillary.ronen@sfgov.org>; Peskin, Aaron (BOS) <aaron.peskin@sfgov.org>; Chan, Connie (BOS) <connie.chan@sfgov.org>; Kilgore, Preston (BOS) <preston.kilgore@sfgov.org>; Yan, Calvin (BOS) <calvin.yan@sfgov.org>; Hsieh, Frances (BOS) <frances.hsieh@sfgov.org>; Kilgore, Preston (BOS) <preston.kilgore@sfgov.org>
Subject: Ronen Introduction: Administrative Code - Artificial Intelligence Inventory, Impact Assessment, and Procurement Standards

Supervisor Ronen is submitting the attached ordinance, "Administrative Code - Artificial Intelligence Inventory, Impact Assessment, and Procurement Standards". The ordinance is co-sponsored by Supervisors Peskin, Chan, and Preston. Below is written confirmation of Supervisor Peskin and Chan's co-sponsorship. Preston Kilgore will be sending written confirmation of Supervisor Preston's co-sponsorship.

Please note our request that the ordinance be assigned to Rules Committee.

Thank you,
Sheila

Sheila Chung Hagen
Legislative Aide | District 9
Supervisor Hillary Ronen
Pronouns: She/Her/Ella
Website

***

From: Peskin, Aaron (BOS) aaron.peskin@sfgov.org

Sent: Tuesday, October 15, 2024 2:15 PM
To: Chung Hagen, Sheila (BOS) sheila.chung.hagen@sfgov.org; Yan, Calvin (BOS) calvin.yan@sfgov.org
Cc: Ronen, Hillary (BOS) hillary.ronen@sfgov.org; Horrell, Nate (BOS) nate.horrell@sfgov.org
Subject: RE: Administrative Code -Artificial Intelligence Inventory, Impact Assessment, and Procurement Standards

Please add my name.
***

From: Chan, Connie (BOS) connie.chan@sfgov.org
Sent: Tuesday, October 15, 2024 2:22 PM
To: Chung Hagen, Sheila (BOS) sheila.chung.hagen@sfgov.org; Hsieh, Frances (BOS) frances.hsieh@sfgov.org
Cc: Ronen, Hillary (BOS) hillary.ronen@sfgov.org
Subject: RE: Administrative Code -Artificial Intelligence Inventory, Impact Assessment, and Procurement Standards

Thank you, Sheila, yes to cosponsor the legislation and thank you for checking. -- Connie

Connie Chan
陳詩敏 市參事
District 1 Supervisor
San Francisco Board of Supervisors

Office Contact:
chanstaff@sfgov.org | (415) 554-7410
https://sfbos.org/supervisor-chan-newsletter

***

Thank you Sheila.

Confirming for Supervisor Walton.

Natalie Gee 朱凱勤, Chief of Staff
Supervisor Shamann Walton, District 10
1 Dr. Carlton B. Goodlett Pl, San Francisco | Room 282
Direct: 415.554.7672 | **Office:** 415.554.7670
District 10 Community Events Calendar: https://bit.ly/d10communityevents

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From: Chung Hagen, Sheila (BOS) <sheila.chung.hagen@sfgov.org>
Sent: Tuesday, October 15, 2024 2:45 PM
To: BOS Legislation, (BOS) <bos.legislation@sfgov.org>; Walton, Shamann (BOS) <shamann.walton@sfgov.org>; Gee, Natalie (BOS) <natalie.gee@sfgov.org>
Cc: Ronen, Hillary (BOS) <hillary.ronen@sfgov.org>
Subject: Adding Supervisor Walton to Ronen Ordinance: Administrative Code -Artificial Intelligence Inventory, Impact Assessment, and Procurement Standards

Supervisor Walton has requested that we add him to Supervisor Ronen's ordinance: Administrative Code -Artificial Intelligence Inventory, Impact Assessment, and Procurement Standards. I have cc'ed Supervisor Walton and Natalie Gee to confirm their co-sponsorship.

Thank you,
Sheila

Sheila Chung Hagen
Legislative Aide | District 9
Supervisor Hillary Ronen
Pronouns: She/Her/Ella
Website

From:	Gutierrez, Margarita (CAT)
To:	BOS Legislation, (BOS); Chung Hagen, Sheila (BOS)
Cc:	Ronen, Hillary (BOS); Peskin, Aaron (BOS); Chan, Connie (BOS); Kilgore, Preston (BOS); Yan, Calvin (BOS); Hsieh, Frances (BOS); Kilgore, Preston (BOS); BOS Legislation, (BOS); RUSSI, BRAD (CAT)
Subject:	RE: Ronen Introduction: Administrative Code - Artificial Intelligence Inventory, Impact Assessment, and Procurement Standards
Date:	Tuesday, October 15, 2024 3:12:56 PM
Attachments:	image003.png AI Ord. Final for introduction 10-15-24.docx

Lisa,

Via this email I confirm that the attached ordinance is approved as to form, and the /s/ next to my name in the signature line of the ordinance has the same effect as my signature.

Thanks,

Margarita Gutierrez
Pronouns: She/Her
Deputy City Attorney
Office of City Attorney David Chiu
(415) 638-3841 Mobile
(415) 554-3944 Office
www.sfcityattorney.org

NOTE ** I am working remotely intermittently and email is the best way to reach me.

*********Confidentiality Notice*********************

From: BOS Legislation, (BOS) <bos.legislation@sfgov.org>
Sent: Tuesday, October 15, 2024 3:08 PM
To: Chung Hagen, Sheila (BOS) <sheila.chung.hagen@sfgov.org>; Gutierrez, Margarita (CAT) <Margarita.Gutierrez@sfcityatty.org>
Cc: Ronen, Hillary (BOS) <hillary.ronen@sfgov.org>; Peskin, Aaron (BOS) <aaron.peskin@sfgov.org>; Chan, Connie (BOS) <connie.chan@sfgov.org>; Kilgore, Preston (BOS) <preston.kilgore@sfgov.org>; Yan, Calvin (BOS) <calvin.yan@sfgov.org>; Hsieh, Frances (BOS) <frances.hsieh@sfgov.org>; Kilgore, Preston (BOS) <preston.kilgore@sfgov.org>; BOS Legislation, (BOS) <bos.legislation@sfgov.org>; Russi, Brad (CAT) <Brad.Russi@sfcityatty.org>
Subject: RE: Ronen Introduction: Administrative Code - Artificial Intelligence Inventory, Impact Assessment, and Procurement Standards

Hello,

We are seeking the approval from Deputy City Attorney Margarita for use of her electronic signature and approval as to form for the attached proposed Ordinance, by reply to this email. Thank you.

Lisa Lew
San Francisco Board of Supervisors
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102
T 415-554-7718 | F 415-554-5163
lisa.lew@sfgov.org | www.sfbos.org

(VIRTUAL APPOINTMENTS) To schedule a "virtual" meeting with me (on Microsoft Teams), please ask and I can answer your questions in real time.

Click here to complete a Board of Supervisors Customer Service Satisfaction form

The Legislative Research Center provides 24-hour access to Board of Supervisors legislation, and archived matters since August 1998.

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From: Chung Hagen, Sheila (BOS) <sheila.chung.hagen@sfgov.org>
Sent: Tuesday, October 15, 2024 2:30 PM
To: BOS Legislation, (BOS) <bos.legislation@sfgov.org>
Cc: Ronen, Hillary (BOS) <hillary.ronen@sfgov.org>; Peskin, Aaron (BOS) <aaron.peskin@sfgov.org>; Chan, Connie (BOS) <connie.chan@sfgov.org>; Kilgore, Preston (BOS) <preston.kilgore@sfgov.org>; Yan, Calvin (BOS) <calvin.yan@sfgov.org>; Hsieh, Frances (BOS) <frances.hsieh@sfgov.org>; Kilgore, Preston (BOS) <preston.kilgore@sfgov.org>
Subject: Ronen Introduction: Administrative Code - Artificial Intelligence Inventory, Impact Assessment, and Procurement Standards

Supervisor Ronen is submitting the attached ordinance, "Administrative Code - Artificial Intelligence Inventory, Impact Assessment, and Procurement Standards". The ordinance is co-sponsored by Supervisors Peskin, Chan, and Preston. Below is written confirmation of Supervisor Peskin and Chan's co-sponsorship. Preston Kilgore will be sending written confirmation of Supervisor Preston's co-sponsorship.

Please note our request that the ordinance be assigned to Rules Committee.

Thank you,
Sheila

Sheila Chung Hagen

Legislative Aide | District 9
Supervisor Hillary Ronen
Pronouns: She/Her/Ella
[Website](#)

***

From: Peskin, Aaron (BOS) aaron.peskin@sfgov.org
Sent: Tuesday, October 15, 2024 2:15 PM
To: Chung Hagen, Sheila (BOS) sheila.chung.hagen@sfgov.org; Yan, Calvin (BOS) calvin.yan@sfgov.org
Cc: Ronen, Hillary (BOS) hillary.ronen@sfgov.org; Horrell, Nate (BOS) nate.horrell@sfgov.org
Subject: RE: Administrative Code -Artificial Intelligence Inventory, Impact Assessment, and Procurement Standards

Please add my name.
***

From: Chan, Connie (BOS) connie.chan@sfgov.org
Sent: Tuesday, October 15, 2024 2:22 PM
To: Chung Hagen, Sheila (BOS) sheila.chung.hagen@sfgov.org; Hsieh, Frances (BOS) frances.hsieh@sfgov.org
Cc: Ronen, Hillary (BOS) hillary.ronen@sfgov.org
Subject: RE: Administrative Code -Artificial Intelligence Inventory, Impact Assessment, and Procurement Standards

Thank you, Sheila, yes to cosponsor the legislation and thank you for checking. -- Connie

Connie Chan
陳詩敏 市參事
District 1 Supervisor
San Francisco Board of Supervisors

Office Contact:
chanstaff@sfgov.org | (415) 554-7410
https://sfbos.org/supervisor-chan-newsletter

***

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

3 **Ordinance amending the Administrative Code to establish a process for creating a**

4 **publicly available inventory of Artificial Intelligence ("AI") the City procures, and to**

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           Board amendment additions are in <u>double-underlined Arial font</u>.
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           Asterisks (*   *   *   *) indicate the omission of unchanged Code
10   subsections or parts of tables.

11

12 Be it ordained by the People of the City and County of San Francisco:

13 Section 1. The Administrative Code is hereby amended by adding new Chapter 22J

14 consisting of Sections 22J.1, 22J.2, 22J.3, and 22J.4, to read as follows:

15

16 ### *CHAPTER 22J: ARTIFICIAL INTELLIGENCE TOOLS*

17 ### *SEC. 22J.1. BACKGROUND AND FINDINGS.*

18 *(a) Many technologists, historians, scientists, elected officials, and other societal leaders*

19 *believe that the advent of Artificial Intelligence that has advanced significantly with the release of*

20 *generative systems is revolutionizing, and will continue to revolutionize, our world.*

21 *(b) Local governments have been using AI products since the early 1990s. However, beginning*

22 *in the 2010s, significant advancements in AI technology, including machine and deep learning, led to a*

23 *surge in acquisition of various products by local governments. With the advent of Generative AI*

24 *products like Chat GPT and others that produce original content, the potential benefits and risks to San*

25 *Francisco residents and workers have increased.*

(c) Policymakers are trying to avoid repeating past mistakes with technological developments, 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.

(d) While the City government, as with all levels of government, continues to develop the best tools for the City to both harness the benefits and protect against the harms of emerging AI technology, it is important that policymakers and the public understand the AI technologies the City is using and will use in the future.

(e) 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 which AI products and systems were in use by departments.

(f) This Chapter 22J remedies this problem by requiring the City's Chief Information Officer ("CIO") to create a public inventory of AI products used within City government. The inventory will include basic facts about the technology including its purpose, accuracy, biases, and limits.

(g) This Chapter also directs the CIO to conduct an analysis of the products in the inventory to determine the impacts of these technologies on human beings living and working in San Francisco, and to develop procurement standards.

(h) As of 2024, the City used AI products in a variety of ways. Here are just a few illustrative examples:

(1) The Department of Technology used AI to review activity on IT infrastructure for network security, intrusion detection, and to identify other potential cybersecurity threats.

(2) The SF311 mobile application used AI to make upfront service type recommendations based on the user's description or picture of the issue. A model had been trained on years of service request (SR) data.

(3) The Department of Public Health (DPH) Radiology Department used an AI-based medical imaging tool to support the confirmatory diagnosis of cerebrovascular events (strokes). The AI system

reviewed imaging studies (CT scans) and provided supporting information to the physicians who make the diagnoses.

(i) The use of AI products by local governments can offer many benefits including but not limited to increased efficiency and effectiveness of public services, quick and accurate analysis of large volumes of data, automation of routine administrative tasks, facilitation of communication between residents and their local government through chatbots and virtual assistants, and prediction of potential hazards.

(j) However, with the increased use of AI products, local governments also potentially subject their workers, residents, and visitors to new risks, including:

(1) Privacy Concerns: AI systems often collect, store, and analyze vast amounts of data, which can include personal information of individuals. This raises concerns about privacy breaches, unauthorized data sharing, and surveillance, potentially leading to a loss of anonymity in public spaces.

(2) Bias and Discrimination: AI algorithms can perpetuate or amplify existing biases if they are trained on data that reflects societal inequities. This can result in discriminatory outcomes in areas such as law enforcement, housing, and public services, disproportionately affecting marginalized communities.

(3) Lack of Transparency: Many AI systems operate as "black boxes," meaning the processes and decision-making criteria are not transparent to users or the public. This can erode trust and make it challenging for individuals to understand how decisions that affect their lives are made.

(4) Job Displacement: The automation of certain government functions through AI can lead to job losses in the public sector or in industries reliant on those functions, impacting the employment landscape and economic stability of communities.

(5)   Security Risks: AI systems can be vulnerable to cyberattacks and exploitation. If malicious actors gain access to these systems, they can manipulate data, disrupt services, or compromise sensitive information, potentially leading to significant harm to individuals.

(6)   Dependence on Technology: Increasing reliance on AI for critical services may create vulnerabilities. Technical failures or misconfigurations can result in service interruptions or errors that affect public safety and welfare.

(7)   Ethical Concerns: The application of AI in sensitive areas (e.g., policing, social services) raises ethical concerns about the appropriateness of AI decisions in life-altering contexts, such as risk assessment for individuals involved in the justice system or the allocation of social support.

(8)   Erosion of Civil Liberties: Heightened surveillance and data collection through AI can infringe on civil liberties, prompting concerns about the potential overreach of government authority and reduced freedoms for individuals.

(9)   Public Mistrust: The combination of the above risks can lead to a general sense of mistrust in government, where residents may feel that the government is not acting in their best interests or that their rights are being compromised.

(k)   In order to promote the ethical, responsible, and transparent use of AI tools, this Chapter develops impact assessment standards for their procurement. These standards include a risk assessment procedure that analyzes specified characteristics of the AI tool, appropriate risk controls, and adverse incident monitoring procedures.

SEC. 22J.2. DEFINITIONS.

For the purposes of this Chapter 22J, the following definitions shall apply:

"AI" means Artificial Intelligence.

"Algorithms" means a set of rules that a machine follows to generate an outcome or a decision.

"Artificial Intelligence" means an engineered or machine-based system that varies in its level of autonomy and that can, for explicit or implicit objectives, infer from the input it receives how to generate outputs that can influence physical or virtual environments.

"Chatbot" means a computer program that simulates conversations.

"CIO" means the City's Chief Information Officer, or designee.

"City" means the City and County of San Francisco.

"COIT" means the Committee on Information and Communications Technology or one of its committees.

"Department" means any unit or component of City government, including but not limited to boards and commissions, departments, offices, agencies, or officials..

"Training Data" means the dataset that is used by a machine learning model to learn the rules.

SEC. 22J.3. ROLES AND RESPONSIBILITIES.

(a) City Chief Information Officer. Within six months of the effective date of this Chapter 22J, the CIO shall distribute a list of questions regarding AI technology in use from Departments, collect the responses and begin publishing the responses on a publicly available website. Within a year of the effective date, the inventory shall be complete and it shall be updated as systems are put into use. The inventory shall require Departments to disclose the products or systems that include AI technology the Department has procured, and for each product shall disclose the following information:

    (1) A brief description of the system's purpose and function;

    (2) The intended use of the system;

    (3) The context or domain in which the system is intended to be used;

    (4) The data used to train the system;

    (5) A high-level explanation of how the system works;

    (6) A description of the data fed into the system and the data generated by the system;

_____(7) A description of what the system is optimizing for, and its accuracy, preferably with numerical performance metrics (e.g., BiLingual Evaluation Understudy (BLEU) scores for AI language translation tools);_

_____(8) Conditions necessary for the system to perform optimally (e.g., outdoor cameras with AI technology performing well in sunny weather);_

_____(9) Conditions under which the system's performance would decrease in accuracy (e.g., outdoor cameras with AI technology possibly performing sub-optimally on rainy or cloudy days);_

_____(10) Whether testing has been performed to identify any bias in the system, such as bias based on race, gender, etc., and the results of those tests;_

_____(11) A description of how and where users report bias, inaccuracies, or poor performance of the system;_

_____(12) A description of the conditions or circumstances under which the system has been tested;_

_____(13) A description of adverse incident monitoring procedures and communication;_

_____(14) A description of the level of human oversight associated with the system;_

_____(15) A description of whether the data collected will or can be used for training of proprietary vendor or third-party systems; and_

_____(16) Any other information the CIO or the Committee on Information Technology (COIT) deem appropriate._

(b) Within a year of the effective date of this Chapter 22J, the CIO shall be responsible for creating a process to conduct an AI Impact Assessment on all AI products or systems used by the City. The CIO's AI Impact Assessment shall be included in the information provided publicly in the City's AI inventory. The CIO may include input from relevant Departments, labor unions, and public interest or non-profit organizations when conducting the AI Impact Assessment. The CIO shall perform AI Impact Assessment on all AI products with the exception of products that do not in any way impact the public's

or an individual's rights, opportunities, or access to critical needs. Examples of products that do not

need an AI Impact Assessment include systems for document management, grammar or spell checkers,

and email filtering. At minimum, where relevant, the AI Impact Assessment shall include 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).

    (c) The CIO shall be responsible for drafting and implementing AI Development and

Procurement Standards which shall include a risk assessment for the City's use of AI technology. The

CIO will make a recommendation whether to procure and/or implement the AI technology and the

required risk mitigation for the AI technology before it is used. A Department's decision to proceed

with the procurement and/or implementation of the AI technology and the CIO recommendation will be

documented as part of the AI inventory.

    (d) The Department of Technology ("DT") shall provide and manage a public facing single

Internet site (web portal) for the Inventory.

    (e) Each Department shall:

    (1) Complete and return the Inventory to the CIO;

    (2) Notify DT of any updates to published vendor questionnaires;

*_____(3) Participate in and facilitate a timely and accurate AI Impact Assessment; and_*

_____(4) Adhere to the process established within the AI Procurement and Development Standards._

SEC. 22J.4. PROMOTION OF THE GENERAL WELFARE.

In enacting and implementing this Chapter 22J, the City is assuming an undertaking only to promote the general welfare. It is not assuming, nor is it imposing on its officers and employees, an obligation for breach of which it is liable in money damages to any person who claims that such breach proximately caused injury.

Section 3. Effective Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

APPROVED AS TO FORM:
DAVID CHIU, City Attorney

By: _____/s/_____
MARGARITA GUTIERREZ
Deputy City Attorney

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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.

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1 [Administrative Code - Artificial Intelligence Inventory, Impact Assessment, and Procurement
   Standards]
2

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20   ***SEC. 22J.2. DEFINITIONS.***

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11 *"Training Data" means the dataset that is used by a machine learning model to learn the rules.*

12 ***SEC. 22J.3. ROLES AND RESPONSIBILITIES.***

13 *(a) City Chief Information Officer. Within six months of the effective date of this Chapter 22J,*

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(13) A description of adverse incident monitoring procedures and communication;

(14) A description of the level of human oversight associated with the system;

(15) A description of whether the data collected will or can be used for training of proprietary vendor or third-party systems; and

(16) Any other information the CIO or the Committee on Information Technology (COIT) deem appropriate.

(b) Within a year of the effective date of this Chapter 22J, the CIO shall be responsible for creating a process to conduct an AI Impact Assessment on all AI products or systems used by the City. The CIO's AI Impact Assessment shall be included in the information provided publicly in the City's AI inventory. The CIO may include input from relevant Departments, labor unions, and public interest or non-profit organizations when conducting the AI Impact Assessment. The CIO shall perform AI Impact Assessment on all AI products with the exception of products that do not in any way impact the public's

1 *or an individual's rights, opportunities, or access to critical needs. Examples of products that do not*

2 *need an AI Impact Assessment include systems for document management, grammar or spell checkers,*

3 *and email filtering. At minimum, where relevant, the AI Impact Assessment shall include the following:*

4 *(1) The individuals and communities that will interact with the system;*

5 *(2) How the information or decisions generated by the system could impact an*

6 *individual's rights, freedoms, economic status, health, health care, or well-being;*

7 *(3) How users with diverse abilities will interact with the user interface of the system*

8 *and whether the system integrates and interacts with commonly used assistive technologies;*

9 *(4) Whether the system is expected to replace any jobs currently being performed by*

10 *human beings;*

11 *(5) Why the City purchased or intends to purchase the product;*

12 *(6) Steps to be taken to mitigate the risk of the AI use or system; and*

13 *(7) Any other information the CIO or COIT deem appropriate, including but not limited*

14 *to modifications to items (1) through (6).*

15 *(c) The CIO shall be responsible for drafting and implementing AI Development and*

16 *Procurement Standards which shall include a risk assessment for the City's use of AI technology.   The*

17 *CIO will make a recommendation whether to procure and/or implement the AI technology and the*

18 *required risk mitigation for the AI technology before it is used. A Department's decision to proceed*

19 *with the procurement and/or implementation of the AI technology and the CIO recommendation will be*

20 *documented as part of the AI inventory.*

21 *(d) The Department of Technology ("DT") shall provide and manage a public facing single*

22 *Internet site (web portal) for the Inventory.*

23 *(e) Each Department shall:*

24 *(1)   Complete and return the Inventory to the CIO;*

25 *(2) Notify DT of any updates to published vendor questionnaires;*

1   *(3) Participate in and facilitate a timely and accurate AI Impact Assessment; and*

2   *(4) Adhere to the process established within the AI Procurement and Development*

3   *Standards.*

4   ***SEC. 22J.4. PROMOTION OF THE GENERAL WELFARE.***

5   *In enacting and implementing this Chapter 22J, the City is assuming an undertaking only to*

6   *promote the general welfare. It is not assuming, nor is it imposing on its officers and employees, an*

7   *obligation for breach of which it is liable in money damages to any person who claims that such breach*

8   *proximately caused injury.*

9

10   Section 3. Effective Date. This ordinance shall become effective 30 days after

11   enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the

12   ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board

13   of Supervisors overrides the Mayor's veto of the ordinance.

14

15   APPROVED AS TO FORM:
     DAVID CHIU, City Attorney

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17

18   By: _____/s/_____
           MARGARITA GUTIERREZ

19   Deputy City Attorney

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