

**COUNTY OF SAN DIEGO
BOARD OF SUPERVISORS
TUESDAY, APRIL 08, 2025**

MINUTE ORDER NO. 18

SUBJECT: ESTABLISHING A COUNTY ARTIFICIAL INTELLIGENCE (AI) POLICY FRAMEWORK AND GOVERNANCE STRUCTURE TO SAFEGUARD TRANSPARENCY, EQUITY, AND ACCOUNTABILITY IN AI USE AND PROVIDING DIRECTION ON THE FUTURE OF COUNTY TECHNOLOGY (DISTRICTS: ALL)

OVERVIEW

Recent advances in artificial intelligence (AI) and related transformative technologies have provided the County of San Diego (County) with unprecedented opportunities to drive economic growth and enhance public services. On June 4, 2024 (13), the San Diego County Board of Supervisors (Board) voted to approve the establishment of an *ad hoc* subcommittee (Subcommittee) of the Board for the purposes of better understanding and leveraging transformative technologies including, but not limited to, AI to make County services more responsive, efficient, and accessible to all. The Subcommittee also provided input to the Chief Administrative Officer on current and future information technology (IT) and telecommunication needs, services and strategies, including the use of AI; and on how advances in AI, smart robotics, IT and telecommunication services could be aligned with the Board's strategic objectives.

AI presents transformative opportunities for government operations, enhancing service delivery, increasing efficiency, and improving decision-making. However, it also brings significant challenges, including ethical considerations, transparency, bias, security, and privacy risks. To address these challenges, it is imperative for the County of San Diego to establish a clear AI policy framework and governance structure that ensures responsible AI usage.

Over the past several months, the County has convened AI-focused subcommittee meetings to assess AI adoption, governance, and its impact on County operations. The first subcommittee meeting, held on October 16, 2024, provided foundational knowledge on AI, including an introduction to ChatGPT and other generative AI technologies, key legislative developments, and current County AI initiatives. The second subcommittee meeting, on January 15, 2025, focused on the role of AI in workforce transformation, IT infrastructure, and strategic AI implementation. These discussions, along with the February 27th CAO Memo titled "Research, Best Practices, and Recommendations on Transformative Technologies and Artificial Intelligence," informed the recommendations in this Board action, which seek to establish governance, vendor management policies, an AI incident response plan, and workforce training while also reviewing County technology infrastructure and innovation funding utilization.

AI technologies must be leveraged strategically to improve service delivery without compromising equity, privacy, or public trust. By implementing a governance framework, establishing an AI incident response plan, enhancing vendor accountability, and expanding workforce education efforts, the County will ensure responsible AI adoption that aligns with its strategic priorities. These measures will enable the County to remain at the forefront of technological advancements while safeguarding the best interests of employees, residents and businesses.

Today's action is directing the CAO to develop and implement a robust AI governance framework that ensures transparency, accountability, and responsible AI use across all County departments. This includes strengthening oversight of AI procurement and vendor management, establishing clear guidelines on ethical AI usage, ensuring compliance with existing legal and regulatory frameworks, supporting and training our County workforce, and fostering collaboration with external stakeholders to drive responsible AI adoption. Additionally, this effort will provide a structured approach to identifying and mitigating AI-related risks, safeguarding data privacy, and enhancing public trust in AI-driven government operations.

RECOMMENDATION(S)

SUPERVISOR JOEL ANDERSON

1. Direct the Chief Administrative Officer (CAO) to develop and implement a County AI governance framework that ensures responsible AI use, data privacy compliance, and adherence to ethical standards, including meeting and conferring with represented employee groups, and return to the Board with an update in 60 days.
2. Direct the CAO to establish an AI incident response plan and return to the Board with an update in 180 days to address risks associated with AI bias, security breaches, and unintended policy implications.
3. Direct the CAO to clearly outline the next steps for the County IT contract expected to begin in 2028 by engaging and informing the full Board of Supervisors and members of the public for a fair and competitive process for the selection of the next IT prime contractor(s) and return to the Board in 180 days.
 - a) Investigate whether the current IT contract meets best practices on topics including but not limited to customer service, employee support, costs, risk, liability, innovation, competition, security, single or multisource providers, etc... and determine how improvements can be made in future contract(s).
4. Direct the CAO to create AI procurement guidelines that include vendor engagement guidelines, to enhance compliance requirements, improve vendor and County relationships, and establish transparency measures such as public dashboards tracking AI-related vendor contracts.
5. Direct the CAO to hire a consultant to conduct an independent Countywide assessment of IT and telecommunications needs, including an audit of active technology solutions across departments, and return to the Board in 180 days with an update. Transfer appropriations of \$300,000 from Finance Other, Services and Supplies, to County Technology Office, Services and Supplies to fund the independent assessment of IT and telecommunications needs.
6. Direct the CAO to develop a workforce education and training plan on AI literacy, ethical AI use, and potential workforce uses, in collaboration with labor organizations and County employee resource groups.
7. Direct the CAO to implement an Innovation Fund strategy to best leverage \$1.0 million in annual Innovation Fund resources by engaging Board office, County Departments and Offices.
 - a) CAO to conduct an annual presentation to the Board on the County's innovation strategies, including the Innovation Fund, with input from the community, the Board and County staff.

- b) CAO to provide an annual report on the foregoing activities.
8. Direct the CAO to explore funding mechanisms, including state and federal grants, to support AI innovation and technology upgrades while ensuring alignment with sustainability goals.

EQUITY IMPACT STATEMENT

AI technologies have the potential to either mitigate or exacerbate existing inequities. By establishing proper safeguards, these risks can be mitigated. Meanwhile, the responsible use of AI can increase the effectiveness of current County staff and programs that provide services to our community's most vulnerable residents.

SUSTAINABILITY IMPACT STATEMENT

By integrating AI solutions into County operations, we can enhance efficiency and reduce environmental impact through optimized resource allocation. AI-driven automation and data analytics can improve sustainability initiatives such as energy management in County buildings and broadband accessibility. Additionally, responsible AI governance will ensure that emerging technologies align with ethical and environmental best practices, reducing risks associated with high-energy consumption AI models.

FISCAL IMPACT

Funds for the actions requested in Recommendation 1-4 and 6-8 are included in the Fiscal Year 2024-25 Operational Plan based on existing staff time in the County Technology Office and Department of Purchasing and Contracting funded by General Purpose Revenue and Charges for Current Services to County departments through the Purchasing Internal Service Fund. There will be no change in net General Fund cost and no additional staff years. There may be fiscal impacts associated with future related recommendations which staff would return to the Board for consideration and approval.

Funds for the actions requested in Recommendation 5 are included in the Fiscal Year 2024-25 Operational Plan in Finance Other based on funds redirected from a cancelled enterprise IT project. If approved, this request will result in costs and revenue of \$300,000. The funding source is General Purpose Revenue. There will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT

The proposed AI governance framework will foster a responsible and innovation-friendly environment for businesses engaging with the County. By providing clear procurement guidelines and transparent vendor management, businesses will have greater confidence in partnering with the County on AI-related initiatives. Furthermore, ensuring AI accountability will contribute to a stable economic climate, where businesses and residents benefit from reliable and ethical AI-driven public services.

ACTION:

ON MOTION of Supervisor Anderson, seconded by Supervisor Lawson-Remer, the Board of Supervisors took the following actions:

1. Directed the Chief Administrative Officer (CAO) to develop a County AI governance framework covering but not limited to automated decision systems and generative AI that ensures responsible AI use, data privacy compliance, and adherence to ethical and labor standards, including meeting and conferring with represented employee groups, and return to the Board along with the AI incident response plan, AI procurement guidelines, and AI workforce education and training plan for approval in 120 days.

2. Directed the CAO to establish an AI incident response plan and return to the Board with an update in 180 days to address risks associated with AI bias, security breaches, and unintended policy implications.
3. Directed the CAO to clearly outline the next steps for County IT provision ahead of the expiration of the prime IT contract in 2028, including assessments of the full and complete costs and tradeoffs involved in decisions to outsource various IT capacities, by engaging and informing the full Board of Supervisors and members of the public for a fair and competitive process and return to the Board in 180 days.
 - a) Investigate whether the current IT contract meets best practices on topics including but not limited to best value given the full and complete costs and tradeoffs involved in outsourcing, customer service, employee support, costs, risk, liability, innovation, competition, security, single or multisource providers, etc., and determine how improvements can be made in future decisions about County IT provision.
4. Directed the CAO to create AI procurement guidelines that include vendor engagement guidelines, to enhance compliance requirements, improve vendor and County relationships, and establish transparency measures such as public dashboards tracking AI-related vendor contracts.
5. Directed the CAO to hire a consultant to conduct an independent Countywide assessment of IT and telecommunications needs, including an audit of active technology solutions across departments, and return to the Board in 180 days with an update. Transfer appropriations of \$300,000 from Finance Other, Services and Supplies, to County Technology Office, Services and Supplies to fund the independent assessment of IT and telecommunications needs.
6. Directed the CAO to develop a workforce education and training plan on AI literacy, ethical AI use, and potential workforce uses, in collaboration with labor organizations and County employee resource groups.
7. Directed the CAO to implement an Innovation Fund strategy to best leverage \$1.0 million in annual Innovation Fund resources by engaging Board office, County Departments and Offices.
 - a) CAO to conduct an annual presentation to the Board on the County's innovation strategies, including the Innovation Fund, with input from the community, the Board and County staff.
 - b) CAO to provide an annual report on the foregoing activities.
8. Directed the CAO to explore funding mechanisms, including state and federal grants, to support AI innovation and technology upgrades while ensuring alignment with sustainability goals.
9. Directed the CAO to develop, through collaboration with local stakeholders, and return to the Board with an AI Bill of Rights for San Diego that can be modeled on the Blueprint for an AI Bill of Rights released by the White House Office of Science and Technology Policy in 2022. Ensure that all County AI policies and procedures, including but not limited to the AI framework and governance structure, AI incident plan, AI procurement guidelines, and AI workforce education and training plan conform and adhere to the San Diego AI Bill of Rights.

AYES: Anderson, Lawson-Remer, Montgomery Steppe

ABSENT: Desmond, (District 1 Seat Vacant)

State of California)
County of San Diego) §

I hereby certify that the foregoing is a full, true and correct copy of the Original entered in the Minutes of the Board of Supervisors.

ANDREW POTTER
Clerk of the Board of Supervisors



Signed
by Andrew Potter

