



GOVERNANCE, TRANSPARENCY, AND LABOR RELATIONS WORKS POLICY COMMITTEE

Thursday, January 22, 2026

10:00 a.m. - 2:00 p.m.

Hyatt Regency, 1209 L Street, Sacramento

I. Welcome and Introductions

Speakers: Chair, Christine Cordon, City Manager, Westminster
Vice-Chair, Jil McLewis, Mayor, Sebastopol

II. Public Comment

Informational

III. Committee Orientation

Informational

IV. Cal Cities 2026 Advocacy Priorities

Informational

V. Adoption of 2026 Work Plan

Action

- [GTLR Survey – Please Fill out and respond by January 21, 2026](#)

VI. Update to Existing Policy and Guiding Principles (Attachment A)

Action

VII. Institute for Local Government Update

Informational

Speaker: Erica Manuel, CEO and Executive Director, Institute for Local Government

- [Bridge Public Sector Apprenticeships](#)
- [How to reverse the erosion of trust in local government](#)

VIII. City of San Jose Artificial Intelligence Update

Informational

Speaker: Albert Gehami, City Privacy & AI Officer, Information Technology Department, City of San José

IX. Artificial Intelligence in Local government (Invited)

Informational

Speaker: Senator Christopher Cabaldon, Chair, Senate Committee on Privacy, Digital Technologies, and Consumer Protection

X. Legislative Agenda (Attachment B)

Action

- Artificial Intelligence in Local Government Policy Statement

XI. Legislative Update

Informational

Speaker: Johnnie Pina, Legislative Advocate, League of California Cities

XII. Adjourn

Next Meeting: Friday, March 26 (Hilton Orange County/ Costa Mesa), 10:00 a.m. – 2:00 p.m.

Brown Act Reminder: The League of California Cities' Board of Directors has a policy of complying with the spirit of open meeting laws. Generally, off-agenda items may be taken up only if:

- 1) Two-thirds of the policy committee members find a need for immediate action exists and the need to take action came to the attention of the policy committee after the agenda was prepared (Note: If fewer than two-thirds of policy committee members are present, taking up an off-agenda item requires a unanimous vote); or
- 2) A majority of the policy committee finds an emergency (for example: work stoppage or disaster) exists.

A majority of a city council may not, consistent with the Brown Act, discuss specific substantive issues among themselves at League meetings. Any such discussion is subject to the Brown Act and must occur in a meeting that complies with its requirements.

Governance, Transparency, and Labor Relations

Scope of Responsibility

The Committee on Governance, Transparency and Labor Relations (GTLR) reviews state legislation as it relates to transparency, technology (open data), healthcare, elections, and political reform. Additionally, the committee oversees pension and workers compensation reform as well as other labor (employer/employee) related issues.

Summary of Existing Policy and Guiding Principles

Labor Relations

Cal Cities supports legislation that specifically exempts local public agencies from the requirement to negotiate with any labor or special interest group about matters submitted to the voters of that jurisdiction as initiatives or Charter amendments.

Cal Cities supports efforts to promote, initiate and improve both public and private sector labor-management relations.

Cal Cities opposes any system of compulsory and binding interest arbitration, including state mandates and the imposition of binding arbitration through the initiative process. No arbitrator board or other private person should have any control, direct or indirect, over local budgets, revenues, or appropriations.

Cal Cities opposes any legislative action that requires the continuation of the terms of any Memorandum of Understanding (MOU) between a public agency and an employee organization until a successor MOU is agreed upon.

Cal Cities opposes any extension of the State Public Employment Relations Board jurisdiction over local public agency labor relations disputes and charges of unfair labor practices, and also opposes any interference or intervention in local collective bargaining by all labor-management relations councils or boards.

Cal Cities opposes state-mandated legislation related to employer/employee relations that are not mutually agreed upon by the local public agency and its employee organizations, except as provided by local law.

Public Sector Pensions, Compensation and Other Post-Employment Benefits

(OPEBs)

Pension Sustainability Principles

Public compensation systems programs should be sustainable, fair to taxpayers and employees, and provide long-term financial stability.

Cal Cities believes that solutions towards realizing pension system sustainability should be the result of inclusive stakeholder collaboration at both the local and state level (retirees, employees, employers, CalPERS).

Cal Cities supports legal or legislative remedies that facilitate options to restore sustainability to CalPERS benefit plans. As appropriate to each city, such actions could include one or more of the following:

- A single benefit level for every employee.
- Converting all currently deemed "Classic" employees to the same provisions (benefits and employee contributions) currently in place for "PEPRA" employees for all future years of service.
- Temporary modifications to retiree Cost of Living Adjustments (COLA) that are automatically added to a retiree's pension benefit payment regardless of compensation level or CPI.

Cal Cities supports expanded flexibility for cities regarding their contract agreements with CalPERS, which could include additional mechanisms for exiting CalPERS and renegotiating UAL amortization terms.

Cal Cities supports a change in state law or judicial precedent to allow employers to negotiate plan changes with classic CalPERS members.

Cal Cities supports legislative solutions to address increasing costs associated with Industrial Disability Retirement (IDR).

General Pension Principles

Cal Cities supports balanced measures that ensure sustainable retirement and health care benefits are offered to public agency employees while at the same time ensuring that public agencies have solid retirement benefits to attract and retain highly talented employees. Cal Cities supports locally negotiated retirement programs that are fiscally responsible, transparent, sustainable, affordable, and equitable for employees and for taxpayers in the long-term.

Cal Cities supports reasonable measures to ensure that retirement benefits are properly funded allowing flexibility to local agencies to negotiate equitable cost-sharing with employees and smoothing the employers' costs during challenging economic times. Cal Cities supports the long-term sustainability of retiree health benefits by including their costs in employer/employee costs sharing formulas.

Cal Cities recognizes and supports the value of a dependable, sustainable, employer-provided defined benefit plan for career employees; supplemented with other employee-only funded retirement options including personal savings such as a 457 Plan.

Cal Cities supports further exploration of defined contribution options as part of future pension reform discussions.

Cal Cities supports pension portability across all public agencies to sustain a competent cadre of California public servants.

Cal Cities supports calculating benefits only on core components; special pays such as temporary upgrade of out of class pay should be eliminated from final compensation calculations.

Cal Cities supports meeting any retirement needs for part-time employees with alternatives to a defined benefit plan.

Cal Cities supports employee benefits (including, but not limited to, retirement and disability) and desires to ensure that income derived from such sources are non-duplicative.

Cal Cities opposes preemption of charter city authority over public pension systems.

Cal Cities supports reducing public retirement benefit fraud and increasing transparency of other post-employment benefits.

Cal Cities supports full participation in the PERS Coalition (PERS/PAC) and its purpose of monitoring legislation, policies, and action necessary to maintain or further the interests of contracting agencies.

Cal Cities believes that cities with retirement programs must retain the ability to opt out of Social Security.

Cal Cities believes that the employee benefit structure within local government should be developed locally through the local government collective bargaining process and that process should be strictly honored by the state Legislature and the Governor.

CalPERS (California Public Employees' Retirement System)

CalPERS Divestments Policy

Divestment in industries that may run contrary to environmental or other broad policy goals as an investment strategy can present challenging conflicts for CalPERS in balancing current affairs against its fiduciary duty to maximize retirement investments. Cal Cities supports CalPERS' priority to its members as stated in the State Constitution Article 16, Section 17, "[a] retirement board's duty to its participants and their beneficiaries shall take precedence over any other duty."

Cal Cities supports responsible investment strategies that balance the short- and long-term ability of CalPERS to meet its financial commitments to its members.

Any divestment policy must be well-vetted and must include the opportunity to identify alternative revenue sources consistent with the intended impact of the divestment and

CalPERS' fiduciary responsibilities outlined above.

Cal Cities supports CalPERS proxy access efforts to affect change from within businesses CalPERS has invested in to ensure they are well managed for sustained, responsible, long-term success.

Cal Cities supports an exemption for retired CalPERS employees, allowing them to work for CalPERS agency under contract or appointment by the local agency.

Cal Cities supports agencies having the maximum amount of flexibility when employing and compensating part-time, seasonal, and temporary employees (i.e. lifeguards, seasonal maintenance workers, recreation leaders, summer camp leaders, and other temporary hires, etc.) to include eliminating the mandate that CalPERS retirement benefits must be provided when the part-time, seasonal, or temporary employee works 1,000 hours in a fiscal year given the costs associated with the CalPERS retirement plan.

Further, Cal Cities supports providing CalPERS with information regarding enrolled members while eliminating the requirement to provide information regarding employees who are not members of CalPERS. Cal Cities also encourages agencies to support long-term part-time/seasonal employees by providing proportional retirement benefits via appropriate mechanisms.

Cal Cities supports having CalPERS provide a broader range of formula choices classes with maximum local control and flexibility in negotiating all options.

Cal Cities supports having CalPERS provide a broader range of health plan choices with a variety of benefit options for all types of member classes with maximum local control and flexibility in negotiating all benefit options with active employees and for retirees.

Cal Cities supports legislation that allows agencies to offer a variety of different health care plans to retired employees that provides adequate, affordable coverage.

Cal Cities supports legislation permitting cities to establish their contributions toward retiree health premiums through the labor relations negotiating process, including: (a) multi-tiered contribution levels; (b) vesting eligibility other than PERS retirement eligibility; (c) prorated contribution based on age and/or length of service; and (d) different contributions for active and retired employees.

When discussing pension policy, the total cost of the pension benefit should be considered. In cost-share arrangements, Cal Cities supports shared employee/employer costs based on the total cost of the pension benefit.

Cal Cities supports providing local governments with maximum flexibility and options. Local agencies must be able to decide on issues such as minimum retirement ages, pension caps, cost-sharing, formulas, and other options to meet local needs and promote ease of administration.

Cal Cities supports giving government agencies through the collective bargaining process

the option to extend retirement ages for miscellaneous employees up to social security retirement ages.

Cal Cities supports eliminating the requirement that any negotiated changes in pension benefits under the Public Employees' Retirement Law (PERL) are voted on twice by the affected employees.

Cal Cities supports a State Constitutional Amendment to allow employers to negotiate plan changes with classic CalPERS members.

Cal Cities supports restructuring the CalPERS Board of Administration to substantially increase in independent public members (preferably with financial expertise) to ensure greater representation of taxpayer interests with regard to public pension decisions.

Cal Cities supports setting uniform standards and definitions for disability benefits and evaluating the level of benefit that is considered as tax exempt. The tax-exempt portion should either be eliminated or allowed on a proportional basis to the severity of the disability.

If the above reforms prove unfeasible or ineffective, Cal Cities supports considering a standard public employee pension system where one benefit level is offered to every employee as a further option to restore sustainability to CalPERS.

Cal Cities supports developing a program with the state to ensure that pension programs offered by localities are fully transparent and that professional actuarial evaluations of unfunded components of other post-retirement benefits (OPEBs) and pension plans are completed.

Compensation Principles

Employee compensation should be based on each individual agency's overall philosophy on employee compensation as well as the agency's ability to pay and provide services to their community. Cal Cities recognizes that sound compensation practices are based on the complexity of the job and the community, as well as the job requirements and the knowledge, skills, and abilities needed to meet those requirements.

Cal Cities believes that employee compensation should be based on job requirements, complexity of both the makeup of the city organization and community, the leadership needed, labor market conditions, ethical considerations of what is just and fair, and the organization's ability to pay.

Public compensation systems programs should be sustainable, fair to taxpayers and employees, and provide long-term financial stability.

Transparency of compensation and other benefits ensures the public is informed about the fiscal realities local agencies face as they relate to fiscal obligations.

Cal Cities opposes legislation that would require employers to pay more than the regular pay for work on family holidays.

Workers' Compensation

Cal Cities supports legislation and policy that controls escalating workers compensation costs to public agencies and taxpayers.

Cal Cities opposes legislation that would permit an employee to use more than one legal process in regard to disability claims (i.e., ADA, workers' compensation, DFEH), or any other erosion of the "exclusive remedy" principle as it relates to disability claims covered under workers' compensation.

Cal Cities supports reforming the workers compensation process to incentivize employees returning to work creating a penalty for those that do not return to available modified duty or alternate positions.

Other Employer and Employee Related Issues

Cal Cities supports efforts to conform the California Family Care Leave Laws to the federal Family and Medical Leave Act (FMLA) laws.

Cal Cities supports the special protection of elected officials, county public defenders, public figures, and public employees acting in their official capacity against threats of death or serious bodily injury.

Cal Cities opposes legislation making it a misdemeanor to disclose peace officer personnel records and citizen complaint records, as well as prohibiting the use of documents or information obtained in violation of this procedure in any administrative proceeding against a peace officer, and any measure that makes it more difficult to discipline the misconduct of police officers.

Cal Cities supports maintaining the confidentiality of personnel matters and protecting public safety personnel discipline records from public disclosure.

Cal Cities opposes the mandated inclusion of governmental entities for Occupational Safety and Health Agency (OSHA) violations without appropriate compensation for the mandates.

Cal Cities supports legislation to protect the authority of city employers to request that an applicant disclose information or use for hiring decisions information concerning a felony conviction.

Cal Cities supports the establishment of a state program similar to that of the federal AmeriCorps program that would allow cities and other local agencies to host service members.

Cal Cities opposes legislation that would allow employment applicants to bring action against the agency for taking into consideration their status as a current or former public employee.

Cal Cities supports controlling the overall costs of healthcare through community-wide actions.

Cal Cities opposes requiring public agencies to continue employer contributions for health care coverage for employees who, during the duration of a strike, fall below the minimum hours worked to qualify for employee health care coverage.

Cal Cities opposes legislation that would interfere with a city's ability to maintain a safe workplace.

Cal Cities is committed to ensuring employees have access to, and are educated in, sexual harassment prevention training and supports the State of California's production of uniform training materials to be used to educate employees on the prevention of sexual harassment in the workplace. As employees move from agency to agency or between public and private employers, it is important that they have a uniform training standard related to sexual harassment prevention.

Transparency

Public trust and confidence in government are essential to the vitality of a democratic system and are the reason ethics laws hold public officials to high standards.

Laws alone cannot foresee or prevent all actions that might diminish the public's trust in governmental institutions. Transparency laws impose the minimum standards of conduct; to preserve public trust, public officials should aspire to conduct that exceeds minimum standards.

State revisions to laws governing local agency transparency and ethics should address material and documented inadequacies in those laws and have a reasonable relationship to resolving those problems.

In order to encourage and facilitate compliance with new transparency and ethics requirements, state laws should be internally consistent, avoid redundancy and be mindful of the practical challenges associated with implementation.

State officials and agencies should aspire to conform to the same level of transparency and ethical behavior as is imposed on local officials and agencies.

Equity in Governance

Cal Cities believes in conducting the business of government with transparency, openness, respect, and civility. The spirit of honest public service is what builds communities. Open decision-making that is of the highest ethical standards honors the public trust. Cal Cities believes state officials and agencies should conform to the same level of transparency and ethical behavior as is imposed on local officials and agencies.

Cal Cities opposes any law or regulation that applies solely to California cities and local officials, unless such law or regulation also applies equally to the state of California and

state officials. Cal Cities acknowledges that local government and state government have their own unique needs. Specific proposals which treat state and local government differently should be carefully reviewed to ensure equity in governance.

Open Meeting Law (Ralph M. Brown Act) & Open Access to Public Records (California Public Records Act)

Cal Cities supports legislation that recognizes the need to conduct the public's business in public. To this end, Cal Cities supported and was a co-sponsor of the original Ralph M. Brown Act and supports legislation that conforms to the intent of the Act. Cal Cities also supports the regulation of the state and other public agencies to ensure conformance to the principles of the open meetings provision in the Ralph M. Brown Act.

Cal Cities opposes legislation claiming to enhance open and public meetings that in practice unnecessarily complicates the ability of a local governing body to properly communicate with the public and that discourages communications among governing body members through unproductive restrictions and inappropriate activities.

Cal Cities opposes legislation that would impose further unnecessary restrictions on the action that a governing body can take in closed sessions.

Cal Cities supports legislation that recognizes the realities of other constraints under which a local governing body must operate that necessitates judicious use of closed sessions, including:

- The privacy rights granted to individuals under the U.S. and California constitutions.
- The personnel issues that have a potential impact on an individual's career and potential earning capacity and that raise serious liability questions for a local jurisdiction.
- The protection of the taxpayer's interests over property and other acquisitions by a public agency.
- The proper maintenance of the same attorney-client privilege enjoyed by the private sector.

Cal Cities supports legislation that includes less-than-a-quorum advisory committees within the definition of "legislative body" as defined in the Ralph M. Brown Act, if the committee is composed solely of members of the legislative body whose subject matter jurisdiction has cumulatively lasted two years or less.

Cal Cities supports alternative methods of meeting public notice requirements and enhancing them through the use of cost-effective, innovative, and technology-friendly methods of communication.

Political Reform Act of 1974 (PRA)

Cal Cities supports legislation and regulations that establish sound practices and principles related to political campaigns. Regulations and legislation that restrict or preempt local authority will be opposed.

Cal Cities should continue to explore opportunities to improve and streamline the Political Reform Act and its implementation through regulations.

Cal Cities supports an increase in the fee for the reproduction of statements required under the Political Reform Act from ten cents (\$0.10) per page to twenty-five cents (\$0.25) per page.

Cal Cities opposes legislation that would prohibit the use of public resources to commence an action to enjoin the operation of any law or constitutional amendment that was proposed by initiative petition and approved by the voters.

Cal Cities supports legislation providing the FPPC with authority to issue opinions to guide local officials in understanding conflict of interest laws, including Government Code Section 1090.

Governance and Ethics

Cal Cities supports legislation that strengthens the ethics laws related to the Board of Administration (Board) for the California Public Employees' Retirement System (CalPERS) including banning the ability of former Board members to do business with CalPERS.

Cal Cities believes that a statute of limitations for bribery should not begin until the act is discovered. Cal Cities also believes that in cases of conspiracy to commit a felony, the statute of limitations should be the same as the statute of limitations for the underlying crime.

Elections

Cal Cities supports legislation that reduces any unnecessary and costly procedures for conducting a municipal election. Cal Cities opposes legislation that mandates costly and unnecessary procedures related to the election process.

Cal Cities opposes state-mandated consolidated elections as they lead to increased costs and move local elections further down on the ballot even though local outcomes have a direct impact on voters themselves.

Cal Cities supports providing city councils more flexibility to fill city council vacancies including extending the appointment period to fill a vacancy.

Cal Cities supports mail ballot elections.

Cal Cities supports the requirement that the intent and text of a local ballot measure is to be filed with the city clerk and published in a newspaper of general circulation with a filing fee. With regard to any land use measure, Cal Cities supports allowing the city council to refer it to the planning agency for a report on the measure's effects.

Cal Cities supports legislation that facilitates newly sworn citizen's voter registration.

Cal Cities supports permitting elections officials to administer voter information electronically so long as such a process remained voluntary to voters.

Cal Cities opposes any legislation or regulation that would prohibit legal action from being filed by any person(s) challenging the validity of the initiative petition or ordinance after the date of the election.

Cal Cities supports legislation that puts before voters the question of whether general law cities should have the ability to create public campaign financing programs.

California Voting Rights Act (CVRA)

Cal Cities supports a process that would allow a city presented with an allegation of a violation of the California Voter Rights Act (CVRA) to address the allegation before any person may file a lawsuit related to the alleged violation.

Cal Cities supports authorizing cities to convert from an at-large to a by-district election system using an ordinance process, thus avoiding possible California Voting Rights (CVRA) lawsuits and costs associated with gaining voter approval at the ballot.

Cal Cities supports modifying the California Voting Rights Act (CVRA) to provide cities more flexibility to remedy a potential CVRA lawsuit by converting to a rank-choice voting (RCV) method.

Recall Elections

Cal Cities supports legislation that maintains the integrity of the recall process.

Cal Cities supports legislation that reduces the amount of recall abuse while improving, streamlining, and ensuring that the public has full knowledge of the issues.

Elected Officials

Cal Cities recognizes that elected and appointed officials receive threats and have become the target of violence at their homes. The unauthorized publication of home addresses or telephone numbers in newspapers or similar periodicals, like publications on the Internet, is a threat to the security of public officials in their homes. Cal Cities supports legislation to extend or provide protection to elected and appointed officials from the unauthorized publication of their home addresses or telephone numbers in newspapers or similar periodicals.

Cal Cities supports requiring both elected local and state officials to maintain their place of residence in the jurisdiction they were elected to represent.

Candidates running for elected office with young children often face the practical reality of paying for increased childcare to campaign and network when running for office. Cal Cities supports increasing diversity of elected officials at all levels and supports the use of campaign funds to pay for childcare expenses resulting from a candidate or officeholder engaging in campaign activities or performing official duties. Cal Cities also supports legislation to increase flexibility and remove limitations on how campaign funds may be used for security expenses.

Legal Issues

Attorney-Client Privilege

Cal Cities recognizes the special role of public agency attorneys in protecting the public interest, while at the same time maintaining appropriate and critical attorney-client confidentiality. The basis for this position is the belief that it is the public agency that is the public agency attorney's client, not an individual public official. Thus, Cal Cities supports legislation that permits public agency attorneys to breach attorney-client confidentiality to disclose only very serious wrongdoings where internal corrective measures have failed or are futile; the disclosure is made to narrowly circumscribe regulatory agencies and the public agency attorney follows specific procedures.

Government Liability and Tort Reform

Cal Cities supports legislation that limits the exposure of local governments to lawsuits related to liability, including, but not limited to, such areas as unimproved natural conditions, design immunity, hazardous recreational activities, and injuries due to wild animals in public places. Cal Cities opposes legislation that would unduly expose cities to increased liability and cost.

Cal Cities supports modifications to the joint liability laws that require the responsible parties in a civil action to pay only their fair share of judgment based on their relative responsibility.

Private Sector Liability

Cal Cities will work closely with private sector representatives to evaluate the potential for Cal Cities' support of civil justice reform measures designed to improve the business climate in California. These measures should be evaluated on a case-by-case basis through Cal Cities' policy process.

Cal Cities supports legislation that enables cities to better prosecute unfair competition cases (Business and Professions Code 17200) in order to protect consumers and their residents, and that removes the 750,000 population and District Attorney approval for city attorney action in this area. Cal Cities opposes legislation that restricts cities from pursuing unfair competition cases beyond the restrictions in current law (2003).

Interest on Judgments

Cal Cities supports ensuring that pre-and post-judgment interest rates are fair to all parties, including taxpayers, recognizing the impact on public budgets.

Data and Privacy Protection

Cal Cities encourages cities to do everything in their power to protect the privacy of employees and constituents. However, Cal Cities opposes mandates that would require, in the event of a security data breach, cities to provide identity theft prevention and mitigation services at no cost to the impacted persons.

Note: Cal Cities will review new legislation to determine how it relates to existing Cal Cities

policies and guiding principles. In addition, because this document is updated every two years to include policies and guiding principles adopted by Cal Cities during the previous two years, there may be new, evolving policies under consideration or adopted by Cal Cities that are not reflected in the current version of this document. However, all policies adopted by Cal Cities Board of Directors or Cal Cities General Assembly become Cal Cities policy and are binding on Cal Cities, regardless of when they are adopted and whether they appear in the current version of "Summary of Existing Policies and Guiding Principles."

**Governance, Transparency, and Labor Relations Policy Committee
Legislative Agenda
January 2026**

Staff: Johnnie Pina, Legislative Advocate, Governance, Transparency, and Labor Relations
Waleed Hojeij, Policy and Legislative Affairs Analyst

1. Artificial Intelligence Policy Statement

Overview:

Artificial Intelligence (AI) technologies are rapidly emerging across the public and private sectors. AI has become a growing topic of discussion at both the state and federal levels as policymakers explore potential frameworks and best practices. In this evolving landscape, adopting an AI policy could provide clarity and shared principles, help preserve local authority, and position Cal Cities to thoughtfully engage in ongoing and future policy conversations as the technology continues to develop.

This proposed policy is intended as an initial, high-level position, rather than a comprehensive or prescriptive framework. Adopting an AI policy would allow Cal Cities to articulate a clear local government perspective. It would ensure the organization is positioned to engage meaningfully with policymakers, respond to proposed legislation, and begin advocating for approaches that balance accountability with innovation.

The adoption of an AI policy would help ensure Cal Cities and its member cities are not left behind as AI regulation advance at the state and federal levels. While existing policies provide a partial framework, an AI-specific policy would enable clear advocacy positions and more effective engagement with policymakers.

The committee may choose to adopt the policy, modify the policy, pursue additional study, or revisit the topic as AI technologies and related policy discussions continue to evolve.

Background:

The rapid advancement and adoption of AI across both the public and private sectors has prompted significant policy attention. State legislatures and Congress are actively considering proposals that would regulate AI development. These proposals frequently implicate local governments, even when cities are not the primary focus of the legislation.

Cities are already encountering AI through third-party vendors, internal automation tools, and employee use of generative technologies. In many cases, AI capabilities are embedded in software platforms without clear visibility or consistent standards governing their use. As regulatory discussions continue to evolve, local governments face the risk of being subject to requirements that may not fully reflect municipal operations, resource constraints, or community needs.

A growing number of California public agencies and coalitions are actively developing AI governance frameworks and resources that can inform a local AI policy. The City of San José-led GovAI Coalition is a multi-agency initiative focused on promoting responsible, purposeful AI use in the public sector. The coalition provides a suite of policy templates, governance tools, and best practice guides that any public agency can adapt, along with an open letter and practical resources aligned with the National Institute of Standards and Technology's AI Risk Management Framework. These deliverables are publicly available to support responsible AI adoption across government.

At the state level, California has enacted legislation, such as the **Transparency in Frontier Artificial Intelligence Act (SB 53)**, which sets early regulatory expectations for safety, risk disclosures, and industry accountability. Other state efforts have sought to preserve local authority to regulate AI and avoid federal preemption of state/local AI laws, illustrating the dynamic policy environment in which local governments are operating.

GTLR Committee History

The committee has heard from the following AI experts over the last two years.

January 2024

Guest speaker, Jonathan Mehta Stein, Executive Director of California Common Cause, an organization that works to strengthen public participation and foster public trust in California's democratic processes, updated the committee on the topic of AI. California Common Cause has recently expanded their operations and created, [California Initiative for Technology & Democracy: CITED](#). CITED works to impartially address emerging threats on democracy, including threats of disinformation related to AI.

Mr. Stein gave examples of how AI can be a powerful tool for local governments, especially in the context of transparency related to electoral processes. Mr. Stein also informed the committee of the dangers ahead if AI continues to go unregulated. Examples of AI tools that are used to manipulate an audience were addressed, such as, deep fakes that are used to produce voice-overs, and other forms of content that are developed to manipulate the public.

The committee was informed of the work that is being done to develop policies that address the ever-changing landscape of AI and technological advances in machine learning. Mr. Stein emphasized the importance of policy development to regulate the distribution of materially deceptive deep fakes in an election, which could compromise the integrity of a candidate or an entire election.

March 2024

The committee received an update from Michael Karanicolas, Executive Director, Institute for Technology, Law & Policy, UCLA. The Institute for Technology, Law & Policy leads cross-disciplinary research to understand how emerging technologies influence privacy, law, public policy, and society, at large. The speaker presented on a body of work that is looking into artificial intelligence (AI) and its uses in the public sector. Committee members were informed of the existing regulatory framework around AI policies and regulatory proposals being introduced at the state and federal level.

June 2024

The committee was briefed by Jonathan Mehta Stein, Executive Director of California Common Cause, an organization that works to strengthen public participation and foster public trust in California's democratic processes. Mr. Stein presented on AI disinformation and how it impacts democracy. In the January committee meeting, he discussed the expansion of this work and the launch of [California Initiative for Technology & Democracy: CITED](#), which works to impartially address emerging threats to democracy, including the spread of disinformation related to AI.

Mr. Stein informed the committee that the 2024 general election will be the nation's first generative AI election, in which AI will be involved in the political discourse around the election. The committee was shown AI-generated images and cautioned the committee about how deep fakes are being used in campaigns to manipulate voters. CITED worked on a bill package with several legislators seeking to address deceptive misuses of generative AI in election cycles.

Mr. Stein introduced retired Senator Bill Monning, who works with CITED and spoke to the committee about the importance of educating and protecting the public from AI threats and the spread of disinformation. Guest speaker, Leora Gershenzon, Policy Director of CITED, also joined the committee to discuss the intent of the three-bill package. The speaker discussed the different tools used to identify AI-generated content and how the CITED bill package would require policymakers to leverage those tools to flag fake and deceptive content.

March 2025

Guest speaker Omar Moncayo, Data Privacy Analyst, with the City of Long Beach presented on AI governance and provided information about the [GovAI Coalition](#). The GovAI Coalition is composed of local, state, and federal government agencies working to inform and elevate responsible uses of AI in communities. The coalition also works with vendors to promote vendor accountability and foster cross-agency collaboration around technology.

The committee learned about several examples from the [City of Long Beach](#) on how to create guidelines and best practices for city staff to safely use AI. Long Beach established the Technology and Innovation Commission, which is an ad-hoc committee made up of three commissioners from the community. The commission will help deliver guidance and structure for the city's IT efforts while engaging members of the public. Members learned about risks related to AI, how to increase transparency for local government uses of AI, and the no-cost tools that are available for cities via the GovAI Coalition platform. Omar answered several questions from members and was thanked by the committee for the presentation.

Artificial Intelligence Policy Overview

Cal Cities staff Johnnie Pina presented examples of AI policies published by the [National League of Cities](#) (NLC) and [California State Association of Counties](#) (CSAC). Members were informed that several local government organizations have developed their own guiding principles and standards around AI.

June 2025

[Artificial Intelligence Handbook for Local Governments](#)

Guest speakers Richard Murphy, Senior Program Manager, Michigan Municipal League and Molly Kleinman, PhD, Managing Director, Science, Technology, and Public Policy Program, University of Michigan provided an overview of the Artificial Intelligence Handbook for Local Governments. Molly discussed the primary goals of the Handbook to help local governments learn about AI, explore AI applications, as well as provide AI related guidelines for best practices. The guest speakers also shared strategies for a risk-based framework to help cities navigate risk factors when making decisions about their AI systems.

Artificial Intelligence Use and Procedure

Guest speaker Steve Hargis, PhD, the Strategic Initiatives Manager & Financial Management Services with the City of Moreno Valley presented on the city's use of AI. Steve discussed three different ways that AI could impact cities including, to promote greater transparency, enhanced decision-making for local governments, and improved operational efficiencies.

Artificial Intelligence Demystified - [AI Toolkit for Municipalities](#)

Guest speaker Angelina Panettieri, Legislative Director of Technology and Communications with the National League of Cities (NLC) presented on the organization's advocacy efforts related to AI. NLC formed an [AI Advisory Committee](#), which was made up of local officials to demystify the use of AI and to better understand opportunities for local governments to use AI. The committee was informed that NLC has been hosting webinars and has produced the AI toolkit to provide case studies and guidance of AI use for municipalities. NLC is also surveying cities across the country to highlight city priorities and values around AI.

Existing Cal Cities Policy:

The [Cal Cities Summary of Existing Policy and Guiding Principles](#) does not include policies related to AI use specifically. However, last year the Cal Cities Board voted to support AB 222 (Bauer-Kahan). This bill required a data center that provides computing resources to a developer for the purpose of developing an AI model to estimate the total energy used to develop the covered model and to report that information to the developer. The bill would also require operators of data centers to report to the California Energy Commission energy consumption and performance data and the Commission to include the reported data in their Integrated Energy Policy Report. The bill would also require the adoption of energy efficiency standards for data centers and prevent the costs of constructing data centers from being passed onto ratepayers.

The committee's robust discussion covered concerns of these requirements potentially driving data centers out of the state when many cities have been actively trying to have these centers develop in their cities due to the associated economic development they bring. Other members expressed their concerns with the amount of resources these centers can use and the adverse environmental effects some cities have experienced from these centers.

This support position has resulted in Cal Cities considering the adoption of the following policy in the Environmental Policy Committee. The committee is considering adopting the policy at the January 2026 committee meeting.

Cal Cities encourages transparency regarding the energy consumption of data centers to help cities appropriately cite these facilities and to avoid impacts on grid reliability and operations, while balancing opportunities for economic growth and technological advancements. Cal Cities supports the adoption of energy efficiency standards for data centers and the prevention of any cost shifts onto other electricity customers.

Proposed Policy Addition:

The proposed addition would fall within the Governance, Transparency, and Labor Relations (GTLR) section of the Summary of Existing Policy and Guiding Principles document. If approved by the committee and Board of Directors, the following policy would be added:

Artificial Intelligence

The League of California Cities (Cal Cities) recognizes the transformative potential of Artificial Intelligence (AI) on city operations and the ability of cities to provide services to residents. Cal Cities supports ensuring AI serves as a tool for innovation while prioritizing local governance and public trust.

Cities must retain the authority to decide on behalf of their own communities the extent to which they adopt AI technologies for municipal operations. Overly prescriptive or restrictive regulations may limit cities' ability to effectively use AI to improve services and respond to local needs.

Cal Cities supports policies that provide technical assistance and funding for cities implementing AI solutions and programs that provide AI education and training for municipal employees.

Staff Comments:

Cal Cities staff believes the policy detailed above would provide needed clarity to the GTLR section of Cal Cities Summary of Existing Policy and Guiding Principles. This policy would help ensure that Cal Cities can play an integral role in advocating for responsible AI use by local governments while ensuring flexibility in its use.

Staff Recommendation:

Cal Cities staff recommends **discussing** the proposed policy.

Committee Recommendation:

Board Action: