



LIEBERT CASSIDY WHITMORE

AI's Seat at the Table: The Role of AI in Labor Relations

League of California Cities Annual Conference
October 10, 2025

Presented By:

Gabriella Kamran & Alexander Volberding

Agenda

- Overview of AI in the Public Sector
- AI and the MMBA
- Union Interests Related to AI
- AI as a Tool to Enhance Labor Relations
- Developing a Governance and Implementation Strategy
- Key Takeaways



Objectives

- Provide a basic understanding of AI and examples of how public agencies are utilizing it generally
- Identify AI use cases in the labor relations context
- Review labor law issues implicated by AI use
- Illustrate and encourage structure + strategy in public agency implementation of AI

Overview of Artificial Intelligence



What is AI?

- Massive data collection (words, images, videos)
 - Imperfect data → Imperfect results
 - Human biases → AI biases
- AI detects patterns in data to predict next most logical piece of data/information in the sequence
 - More data improves Large Language Model (“LLM”) accuracy
- AI services add algorithm/instructions for processing data
 - Different security, privacy, and use philosophies
- Traditional AI vs. Gen AI

Adoption of AI

- Adoption and use of AI
 - Differs by industry, age of user, role in organization
 - Individual employee use of AI is outpacing organizational strategy for such use
 - Risks associated with organizational lag?
- Reasons for slow adoption by public agencies?
 - Complacency/Absence of profit-motive/Bureaucratic inertia
 - Resistance from labor
 - Risk aversion

Public Agency AI Use Cases

- Monitor images from wildland cameras to detect wildfires, allowing a faster response (CalFire)
- Streamline permit process for rebuilding after Palisades and Eaton fires (County of LA)
- Capture images from cameras on City vehicles to detect and grade potholes, then generate automated work orders for street and road repairs (City of Corona)

Public Agency AI Use Cases

- Notetaking during meetings
- Preparing first drafts
- Revising job descriptions and interview questions
- Analyzing employee performance and attendance
- Generating and revising disciplinary letters and evaluations
- Optimizing scheduling based on staffing needs and employee preferences
- Handling CPRA requests

Promise and Perils of AI

- Promise
 - Increased efficiency/productivity
 - Less time spent on mundane tasks
- Perils
 - Inaccuracies and hallucinations
 - Proliferation of biases/discrimination
 - Potential for omnipresent surveillance/compromised privacy
 - Anxiety associated with fear of change and potential job loss

California AI Legislation

- New Legislation in 2024-2025
 - SB 7: “No Robo Bosses” Bill
 - SB 53: Large Model Developers
 - SB 524: AI in Law Enforcement Agencies
 - AB 316: AI Defenses
- Bills that Failed in 2024-2025
 - AB 1018: Automated Decision Systems
 - AB 1221 and 1331: AI Surveillance

Labor Relations



Labor Relations Issues: Overview

- Obligation to bargain implementation of AI?
 - AI as a tool to support/assist employees
 - AI as a tool to monitor the workplace and employees
 - AI as a disruptor of established job duties and operational structure
- AI use cases in labor relations
 - Analyzing unfair practice charges and grievances
 - Proposing contract terms/language
 - Preparing classification and compensation studies
 - Responding to requests for information

Is the Implementation of AI Negotiable?

- Management rights
 - Selection of tools and technology
 - Determining the means and methods of operation
- Implementation of AI generally not a negotiable decision
 - Exception: Surveillance
 - Exception: Duty displacement

Impacts and Effects of AI Use May be Negotiable

- Impacts and Effects
 - Provide notice and an opportunity to identify negotiable effects
 - If the union does so, engage in good faith negotiations regarding such impacts/effects and delay implementation of decision until such negotiations conclude
- Examples of negotiable impacts/effects:
 - Changes to employee work duties
 - Potential for employee discipline
 - Training requirements associated with adoption of new AI technology or tools

Case Study

- The City of Whitmore is exploring ways to streamline its administrative processes. After reviewing several options, management decides to adopt an AI-powered notetaking tool for internal use during staff meetings. The tool will automatically generate summaries of meeting discussions, helping department heads quickly identify action items and draft follow-up communications.

***Does the City need to meet and confer with unions about adopting the tool?
What are some of the potential negotiable impacts of the City's adoption of the tool?***

Bargaining: Union Proposals

- Unions may make proposals to limit an agency's use of AI
 - Preserve bargaining unit work performed by employees/protect union jobs
 - Ability to use AI data in disciplinary decisions or evaluations
- Union-sponsored legislation to limit AI surveillance in the workplace failed in the legislature this year

Communicating with Labor About AI

- Communicate proactively and transparently
- Underscore the potential for AI to be mutually beneficial
- Consider inviting unions to participate in pilot testing or advisory groups
- Avoid direct dealing

Bargaining: Agency Use Cases

- Preparing for Bargaining
 - Reviewing MOUs to flag inconsistencies/unclear language
 - Class and comp studies
 - Notetaking (but be mindful of privacy/confidentiality)
- Bargaining
 - Drafting contract proposals and assessing Union proposals
- Responding to requests for information
 - Review, analyze and respond to requests for information

Exercise: Responding to a Request for Information

- Union requests data on the amount of overtime worked by employees in the past quarter.
 - How can you use an AI tool?
 - What should the prompt be?
 - What data can you use?
 - Other considerations?

AI Governance and Implementation



AI Implementation Playbook

1. Identify mission-enhancing uses
2. Establish governance structure
3. Adopt tools and implement infrastructure
4. Adopt policies to ensure responsible use and address security concerns
5. Strategize about measuring and monitoring AI performance/impact
6. Recruit and retain or train talent capable of using the technology and tools
7. Develop user-focused testing, training and feedback loops

Step 1: Identify Potential Uses

- Uses consistent with Agency's mission
- Uses for both operational and administrative purposes
 - Improve quality of services
 - Increase efficiency and productivity
 - Review work for errors/identify areas for improvement

Step 2: Set Governance Structure

- Authority (e.g., board of directors, government officials, stakeholders)
- Processes and procedures
- Policies and rules
- Accountability and oversight
- Transparency
- Participation and inclusion
- Risk management and compliance (reporting mechanism)

Step 2: Set Governance Structure (Cont'd)

- Committee/Working Group
 - Chair/Point person
 - Membership
 - Core leadership
 - Information Technology/Security
 - Legal
 - Departmental representatives
- Other structure
 - Test group?

Step 3: Adopt Tools and Technology

- AI Tools:
 - Choosing the right tool for the job
- Pilot:
 - Test value and feasibility with limited users in a controlled environment
- Refine:
 - Expand use to additional users, optimizing the technology along the way
- Scale:
 - Roll out the technology to capture all the value

Step 4: Adopt AI Use Policy

- Components of AI Use Policy
 - Purpose
 - Definition of key terms
 - Scope – Applies to all employees, interns, volunteers
 - Terms of Use
 - Approved or Prohibited AI Tools?
 - Approved or Prohibited Uses of AI?
 - Privacy and Confidentiality
 - Secure/private settings and training opt-outs
 - Enforcement

Step 4: AI Use Policy – Other Considerations

- Review existing policies that an AI Use Policy may affect to ensure consistency:
 - Use of Agency Resources/Technology Use
 - Privacy/Confidentiality
 - Prohibition against Discrimination and Harassment
- Consider and address potential security threats/risks related to AI use
- Notice and opportunity for unions to bargain impacts/effects

Step 5: Monitoring and Measuring Outcomes

- Align with agency use
 - Identify what the agency would like to monitor and how to measure outcomes (Step 1)
- Assess whether tools are being used effectively
 - Internal assessments
 - Human review is essential
 - Test sample of AI outcomes
 - External assessments
 - Appropriate for large-scale or mission-critical use cases

Step 6: Recruit and Retain or Train

- Do the necessary skills already exist among agency employees?
- If not:
 - Training for existing employees
 - Hiring employees
- Offer AI literacy training for all employees

Summarizing AI Governance

- **What** are our needs?
- **Which** tools will help us fill those needs?
- **Who** will be involved in implementing the tools?
 - Identify governance structure
 - Assessment of existing skills/capacity
 - Identify user base and stakeholders
- **How** will we implement the tools?
 - AI Use Policy and training
 - Pilot program testing and feedback

Key Takeaways



Key Takeaways

- Meet and confer regarding AI surveillance
- Provide notice and an opportunity to identify impacts/effects for other AI applications
- Communicate with labor proactively to facilitate buy-in
- Get ahead of AI-related labor conflict with a governance structure and AI Policy

Questions?



Thank You!

Gabriella Kamran

Associate | Los Angeles

310.981.2730 | gkamran@lcwlegal.com
www.lcwlegal.com/people/gabriella-kamran/

Alexander Volberding

Partner | Los Angeles

310.981.2021 | avolberding@lcwlegal.com
www.lcwlegal.com/people/alexander-volberding/



LIEBERT CASSIDY WHITMORE