

ARTIFICIAL INTELLIGENCE POLICY FRAMEWORK

PURPOSE: The Town of Los Gatos supports the responsible use of artificial intelligence to augment employee capabilities, improve service delivery and accessibility, enhance the quality and timeliness of Town work, and reduce routine administrative activity so employees can focus on work requiring human judgment, expertise, and public service. AI shall be used lawfully, securely, transparently, equitably, and accountably while protecting resident and employee privacy. This Framework establishes governing principles for the Town's use of AI and AI enabled functionality and is not intended to establish technology specific operating requirements or approval processes. Operational use of public safety technologies, including AI enabled technologies, shall be governed by applicable law and Police Department policies and procedures, together with generally applicable Town requirements. Other Town uses of AI shall be governed by administrative policies, procedures, and standards established by the Town Manager.

POLICY PILLARS	
Public Value and Workforce Augmentation	AI will be used to improve public service and support employees in performing work and taking actions that require human judgment and expertise.
Human Accountability and Oversight	Employees remain responsible and accountable for work and actions supported by AI. AI and AI enabled technologies may assist with analysis, detection, alerts, monitoring, data collection, recommendations, and decision support. These functions do not themselves constitute a final Town decision or action. When AI generated or AI assisted information contributes to a Consequential Town Decision or Action, the decision or action must be subject to the human review, confirmation, and authorization required by applicable Town or departmental policy. AI shall not independently exercise authority reserved to an authorized Town employee.
Privacy and Data Stewardship	Personal, confidential, privileged, law enforcement sensitive, and personally identifiable information may be used with AI and AI enabled technologies only when authorized for an appropriate Town purpose and consistent with applicable law and Town or departmental policy. AI shall not be used in ways that compromise protected Town information.
Security and Reliability	AI and AI enabled technologies shall be used in accordance with applicable Town and departmental policies, procedures, security requirements, and authorization processes. Employees shall appropriately review and verify AI generated information based on the purpose of the use and the reasonably foreseeable consequences of error. Administrative and departmental policies may establish additional controls appropriate to particular technologies, information, activities, or risks.
Transparency & Trust	The Town will disclose AI use when AI materially contributes to a Consequential Town Decision or Action, or when AI generated content is otherwise authorized to be presented to the public without substantive human review and verification. Disclosure is not required for research, analysis, drafting, summarization, translation, clerical, editorial, formatting, or other assistance when a Town employee reviews the resulting work, exercises independent judgment, and accepts responsibility for the final work product or action.
Equity & Non Discrimination	The Town will not use AI in a manner that results in unlawful discrimination. When AI materially contributes to a Consequential Town Decision or Action affecting a person, applicable Town or departmental policies shall provide for appropriate human review and safeguards, taking into consideration the nature and risk of the use, including reasonably foreseeable concerns regarding accuracy, accessibility, data quality, consistency, or inequitable effects.
Legal Compliance	The Town will comply with applicable laws and regulations, and the Town Attorney will advise on legal compliance. Nothing in this Framework supersedes or creates an additional approval requirement beyond an otherwise applicable statutory, Council approved, administrative, or departmental policy or procedure. The Town Manager will review this Framework at least every two years and recommend amendments to the Town Council as needed.

GOVERNANCE STRUCTURE

Town Council	Town Manager	Town Attorney	IT Director
Adopts the AI Policy Framework and establishes the governing principles and boundaries for the Town use of artificial intelligence.	Approves and administers Town administrative policies, procedures, and standards governing AI uses consistent with the AI Policy Framework.	Advises on legal compliance, privacy, civil rights, public records, employment, law enforcement, contracting, and other legal issues associated with AI systems and uses.	Establishes security and technical standards for AI and AI enabled technologies under existing Town authority and coordinates technical implementation consistent with applicable administrative and departmental policies.

DEFINITIONS

Artificial Intelligence (AI) and AI Enabled Technology	A machine based system that, for a given set of human defined objectives, makes predictions, recommendations, or decisions influencing real or virtual environments, and any software, hardware, service, system, or process that operates in whole or in part using such a system, including AI functionality embedded within a product acquired or operated for another primary purpose.
Consequential Town Decision or Action	A Town decision or action that determines, denies, conditions, or materially affects a person's rights, benefits, employment, eligibility, licensing, enforcement exposure, safety, or access to Town services, or that commits the Town to a legal or financial obligation.

PROHIBITED USES

The Town will not use AI or AI enabled technologies:

1. To independently make or carry out a Consequential Town Decision or Action without the human review, confirmation, and authorization required by applicable law or Town or departmental policy.
2. In a manner that results in unlawful discrimination or is deceptive, coercive, or intended to improperly manipulate an individual.
3. To identify, monitor, classify, or profile individuals through automatic and continuous means unless the use is consistent with applicable law and authorized by applicable Town or departmental policy.
4. To access, use, or disclose protected Town information except when authorized for an appropriate Town purpose and consistent with applicable law and Town or departmental policy.

More specific restrictions may be established through Town administrative policies, Police Department policies and procedures, or other departmental requirements consistent with this Framework.