

City of Milwaukee AI Policy Revision Proposal

Introduction

Artificial intelligence (AI) refers to a family of technologies that enable machines to imitate human cognitive functions such as understanding language, recognizing patterns, interpreting images and sounds, and responding adaptively to human actions. AI spans a wide range of tools and systems, from simple rule-based systems like spam filters to complex applications such as large language models, generative tools, and autonomous robots.

For local governments, AI offers powerful capabilities to improve efficiency, expand services, and enhance community well-being. Used thoughtfully, AI can streamline internal workflows, support more timely and data-informed decisions, and help deliver higher-quality services to residents, businesses, and visitors across Milwaukee.

At the same time, AI introduces significant risks that must be managed deliberately. AI systems are built on large datasets, and their outputs are only as reliable and fair as the data and design choices behind them – Garbage In Garbage Out. Training data and historical records that haven't been critically vetted can embed bias related to race, gender, class, disability, and other characteristics, which means AI systems can unintentionally reproduce or amplify discriminatory patterns, produce offensive or inaccurate content, or misrepresent communities. Such risks point to a need for careful control of AI ecosystems used for the City's operations. There are also important privacy, security, and environmental considerations to be made in this regard.

Because AI technologies are evolving rapidly while governance mechanisms are still emerging, clear and locally tailored policy is essential. National and subnational efforts—such as emerging state guidance, international frameworks like the EU AI Act, and federal direction in America's AI Action Plan—demonstrate how governments can combine innovation with strong safeguards and oversight.

Need For Continued Policy Improvement

City of Milwaukee's draft policy for AI was initiated in late 2023 and the policy was officially adopted by the Common Council in February 2025. This is a commendable move on the part of the City to ensure that AI is being used in a safe manner. However, there is a need to move beyond addressing AI usage and adoption within the City from a reactive policy lens to a proactive policy lens.

For the City of Milwaukee, revising the internal AI policy is an opportunity to draw on broader lessons and establish a governance framework that supports responsible experimentation, protects residents’ rights and privacy, mitigates bias and environmental impact, and ensures that AI use within city operations aligns with City’s values and legal mandates.

State and Municipal AI Policies - A Snapshot

Given below are examples of local governments within the United States with AI Policies that stand out for distinct reasons.

Name of City/State	Why it stands out?	Examples of Tools Used (if any)
San Jose, California	One of the first to issue guidelines to government employees for AI Usage at the city level	Algorithm Register (or AI inventory), AI Impact Assessment, Generative AI Usage Log
Seattle, Washington	Equity-centered AI policy governing both general and generative AI	Algorithmic Impact Assessment
Boston, MA	Provides employees with specific AI guidance	-
Tempe, Arizona	Ethical AI Policy with defined consequences for non-compliance	AI literacy training for staff
Bellevue, Washington	Implemented a public transparency approach to AI usage	-
State of Indiana	Puts risk assessment and mitigation at the center of all AI usage	Risk Management Framework

Global Benchmark Frameworks for AI Regulation

In addition to the above, the following two frameworks can be considered for benchmarking AI Policy creation:

European Union AI Act (2024): The EU AI Act is a comprehensive, binding regulatory framework implemented within the 27 member states of the EU that uses a risk-based classification of AI systems (from “unacceptable” to “high” to “minimal” risk) and sets detailed obligations for high-risk systems around data quality, documentation, human oversight, transparency, logging, and post-deployment monitoring. It offers a menu of concrete governance tools—like simple internal risk tiers, clearer documentation and logging expectations, and stronger bias/data-governance steps for higher-impact uses—that can be adapted at city scale to strengthen accountability and equity in municipal AI.

America’s AI Action Plan: America’s AI Action Plan was launched by the current administration in July 2025. It is a national strategy focused on maintaining U.S. leadership in Artificial Intelligence organized around three pillars—innovation, infrastructure, and international diplomacy/security. It aims to accelerate AI adoption, build AI-enabling infrastructure, and coordinate federal governance, including workforce upskilling, evaluations, secure-by-design AI, and government AI adoption practices. It highlights the importance of adding coordinated internal AI governance (named roles/working group and inventory), a “try-first but with guardrails” approach to adoption, workforce training in AI literacy, and basic evaluation/incident-response expectations—elements that can be scaled down and embedded into the city’s internal AI policy framework.

Comparative Analysis of Milwaukee’s Current AI Policy and Proposed Improvements

Feature	Current Status in City of Milwaukee	Proposed Revision	References
Scope of the Policy	Restricted to Generative AI only	Broader scope addressing all AI based or AI related technologies used for the City’s operations.	Multiple Cities
	Does not specify any difference in policy for internal AI usage and usage of AI for resident-facing purposes.	Specific guidelines for internal and external use to be provided	EU AI Act
	Responsibilities of vendors providing AI products and services to the city not specified.	Provide clear statements on the vendors responsibilities at various stages of the adoption and implementation process.	Recommendation from the Innovation Team
Oversight and Governance	Annual Review of the Policy	Algorithmic Impact Assessment for high-risk systems, and strict documentation requirements.	Seattle, Washington
	Does not have a different approval / review for high-risk AI applications	Stricter review, documentation, and approvals for “high-risk” internal systems (e.g., those used in eligibility	EU AI Act

Feature	Current Status in City of Milwaukee	Proposed Revision	References
		decisions, hiring, policing, inspections)	
	Policy review led by ITMD	Establish a dedicated AI working group with internal stakeholders	San Jose (CA), Tempe (AZ), America’s AI Action Plan
	Consequences for non-compliances loosely defined.	Tightly defined consequences for non-compliance	Tempe (AZ)
Training	Encouraged but not mandated	Mandated and built into broader employee engagement mechanisms	Seattle (WA)
	States only general guidelines	Give practical dos and don'ts (doesn't have to be exhaustive) + step-by-step examples for common uses that identifies safe usage.	Boston (MA)
	States a need for “recording usage”, but instructions are vague about the process.	Mandate an internal AI Usage inventory so departments can log significant AI system usage and use cases, enabling citywide visibility and shared learning.	America’s AI Action Plan
Disclosure	Requires citation of AI generated content	Mandate Citation + Technical Documentation + Human-in-the-Loop structure	San Jose (CA), Seattle (WA)
	States the need for citation.	Instructions for when citation is required and standardized citation formats	Boston (MA)
	Does not talk about disclosure related to deployment of AI technologies	Selection and deployment of AI technologies to be transparent and explainable – clear documentation and accessible information about purpose and	Tempe (AZ)

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		function of AI systems to be provided.	
	No separate instructions for AI tools that have a resident facing end.	For any city-facing tools where residents directly interact with AI (chatbots, decision-support portals), a short notice that AI is involved, what it does, key limitations, and how to reach a human for questions or overrides should be provided.	EU AI Act
	Does not place any requirement on the part of the vendor to disclose aspects of the AI system.	Require vendors of AI based systems to periodically review performance, error rates, complaints, and any equity impacts, and to report material issues to the CIO or designated governance body.	EU AI Act
Risk Reduction	Restricts sharing private and sensitive information – what this includes is not defined.	Proper definition and scenarios laid out for prohibited uses and restrictive information	Seattle (WA)
	Delegates risk review to users	Explicit risk tiers (low/mid/high) linked to data sensitivity of use case and impact on individuals or community	San Jose (CA), EU AI Act
	Risk assessment not mandated.	Mandate risk assessments pre-deployment and periodic reviews after.	Bellevue, (WA)
	Risk assessment not mandated.	Use NIST AI Risk Framework for assessment of all AI based systems adopted by the City.	State of Indiana

Feature	Current Status in City of Milwaukee	Proposed Revision	References
	Risk assessment not mandated.	For higher-risk uses, require: a written risk assessment, documented mitigations, and periodic re-evaluation when systems are updated or repurposed.	EU AI Act
	Only pre-approved tech for all uses within the city	City-issued tech mandated for sensitive information – can use other tech for uses with non-sensitive information.	San Jose (CA)
	Does not state un-approved apps	Could give a list of apps that are prohibited for use within the city.	Recommendation from the Innovation Team
Product Ownership Infrastructure	Does not talk about an official departmental position or person who focuses on AI.	Specify an internal product owner structure for any AI based system that the City adopts.	Recommendation from the Innovation Team
	Feedback loop for users not mentioned	Feedback collected from users within the City and used during regular policy reviews and updates.	Recommendation from the Innovation Team
	Feedback loop from public and wider community not mentioned	Feedback collected from partners and the wider community used during regular policy reviews and updates. Could be particularly useful for resident facing solutions involving AI.	Bellevue (WA)
	Does not mention the chain of command and action for reporting any AI incident	Define what counts as an AI incident (e.g., harmful output, major error in a decision aid, data leak through an AI system) and set expectations for reporting, triage, and corrective actions,	America’s AI Action Plan

Feature	Current Status in City of Milwaukee	Proposed Revision	References
		aligned with existing IT incident processes	
Environmental Impact	No explicit mention in guidelines	Encourage staff to limit use to reduce environmental impact – give alternative methods.	San Jose (CA), Bellevue (WA)
Equity assurance and bias reduction	States the possibility of generative AI inheriting biases from historical data and puts the onus on the users to actively identify such biases.	Dept Level Equity Guidelines and checks to be mandated. Could also devise process flows for this purpose.	San Jose (CA)

Concurrent Considerations

Workforce and upskilling: Departments should identify roles where AI can augment, not replace, staff (for example, schedulers, analysts, and customer service representatives) and develop simple upskilling plans so those employees can safely and effectively use approved AI tools, reflecting the “augment, not automate away” emphasis in America’s AI Action Plan.

Data governance: A robust data governance mechanism is essential for backing the AI Policy and AI usage within the city. This should have defined data ownership, standards for data quality and documentation, and regular checks for privacy risks and bias, so that AI outputs support transparency, equity, and trust rather than amplifying existing data problems.

Conclusion

Milwaukee can improve its existing Generative AI Policy to move from basic guardrails toward a more mature, equity-aware, and risk-based approach to AI in city operations. By learning from leading city, state, national, and international frameworks, the revised policy can pair clear internal rules with practical implementation supports such as defined governance roles, simple risk tiers, workforce upskilling, and stronger data governance so that AI tools augment staff, protect residents’ rights and privacy, and advance the City’s values of transparency, fairness, and accountability.

Reference:

1. National League of Cities blog: <https://www.nlc.org/article/2023/10/10/the-ethics-and-governance-of-generative-ai/>
2. City of Bellevue, AI Policy: <https://bellevuewa.gov/ai-policy-guidelines>
3. State of Indiana, AI Policy: <https://www.in.gov/mph/cdo/files/State-of-Indiana-Artificial-Intelligence-Policy.pdf>
4. City of San Jose, AI Policy: <https://www.sanjoseca.gov/your-government/departments-offices/information-technology/itd-generative-ai-guideline>
5. City of Seattle, Washington, AI Policy: <https://www.seattle.gov/tech/data-privacy/the-citys-responsible-use-of-artificial-intelligence>
6. City of Boston, AI Policy: <https://www.boston.gov/sites/default/files/file/2023/05/Guidelines-for-Using-Generative-AI-2023.pdf>
7. City of Tempe, Arizona, AI Policy: <https://tempe.gitbook.io/data-policy-and-governance/data-policy/generative-ai-use-guidelines>
8. Risk Management Framework from NIST: <https://www.nist.gov/itl/ai-risk-management-framework>

9. AI Act | EU - <https://www.standardfusion.com/blog/the-eu-ai-act-explained>
10. America's AI Action Plan: <https://www.whitehouse.gov/wp-content/uploads/2025/07/Americas-AI-Action-Plan.pdf>

Appendix: Terms and Definitions

1. **Human-in-the-Loop:** A [human-in-the-loop](#) (HITL) system is one where humans actively participate in the training, evaluation, supervision, or decision-making steps of an automated or AI system, rather than leaving decisions fully to automation. In AI and machine learning, humans provide feedback, annotations, or approvals to ensure accuracy, safety, accountability, and ethical judgment
2. **Large Language Models (LLMs):** [LLMs](#) are AI models trained on very large text datasets, usually with self-supervised deep learning, to understand and generate human-like text.
3. **Rule-Based Systems:** A [Rule-Based System](#) is a software or AI system that makes decisions by applying a set of predefined rules, typically expressed as “if-then” statements, to input data. These systems usually have a knowledge base of rules and facts plus an inference engine that applies the rules to derive conclusions or actions.
4. **Algorithm Register (or AI inventory):** An algorithm register or [AI inventory](#) is a centralized record or database listing the AI and algorithmic systems used within an organization, including their purpose, data sources, and key risk information. Public-sector algorithm registers sometimes also disclose the main automated decision tools to the public to improve transparency and oversight.
5. **AI Impact Assessment:** An [AI impact assessment](#) (often shortened to AIIA) is a structured evaluation process used to identify, analyze, and document the potential impacts and risks of an AI system before and during deployment. It typically examines effects on individuals, communities, and institutions, including legal, ethical, societal, and human-rights implications, as well as benefits.
6. **Algorithmic Impact Assessment:** An [algorithmic impact assessment](#) (AIA) is a specific type of impact assessment focused on automated or algorithmic decision systems, used to evaluate and mitigate the potential impacts and risks of those systems before and during use.

