

POLICY WATCH – June 2024

In This Issue

- Juneteenth Independence Day
- Budget Outlook
- Artificial Intelligence (AI)- The good, the bad and the scary
- Welcome New Members
- Members in the News



The month of June brings the start of summer, graduations, vacations, festivals, parades and BBQ's. NBLC offers congratulations to all the graduates and sincere gratitude to our educators. June is also PRIDE month, and we celebrate Juneteenth Independence Day. In this issue we look at why recognizing June 19th is important. We will also look at the budget outlook and how that impacts you and we will look at how artificial Intelligence (AI) is impacting sectors, both positively and in some places with challenges.

Best regards,



Joanne

Juneteenth Independence Day

We learn from the [National Museum of African American History and Culture](#), that this day, June 19th, "became known as Juneteenth because on June 19, 1865, some 2,000 Union troops arrived in Galveston Bay, Texas. The army announced that the more than 250,000 enslaved black people in the state, were free by executive decree. Even though the Emancipation Proclamation was made effective in 1863, it could not be implemented in places still under Confederate control. As a result, in the westernmost Confederate state of Texas, enslaved people would not be free until much later. This day came to be known as "Juneteenth," by the newly freed people in Texas. Juneteenth marks our country's second Independence Day."

President Biden signed legislation in 2021 that made Juneteenth, which falls on June 19, a federal holiday, after interest in the day was renewed during the summer of 2020 and the nationwide protests that followed the police killings of Black Americans including George Floyd and Breonna Taylor. There has been a noticeable increase in Juneteenth celebrations across the United States over the past few years.

Today, while some celebrations take place among families in backyards where food is an integral element, some cities, like Atlanta and Washington, hold larger events, including parades and festivals with residents, local businesses and more. There were several celebrations and festivals earlier this month across the North Bay that celebrated the day including Marin City's 8th annual Juneteenth Festival and Sonoma County's Juneteenth Festival and Celebration.

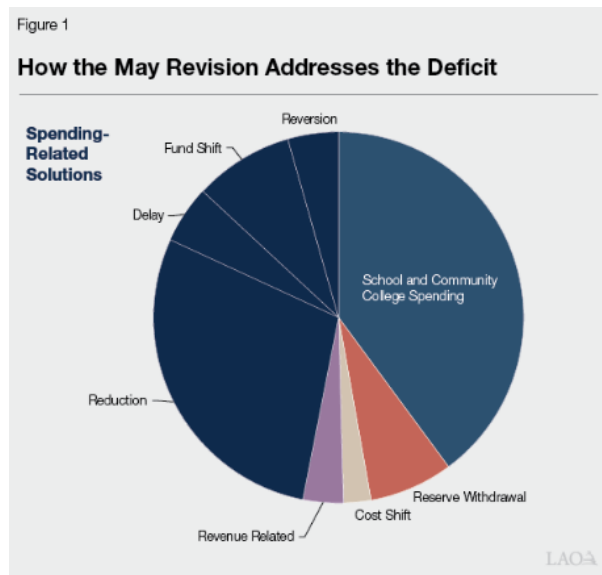
According to [Juneteenth.com](#), "today Juneteenth commemorates African American freedom and emphasizes education and achievement. It is a time for reflection and rejoicing. It is a time for assessment,

self-improvement and for planning the future. Its growing popularity signifies a level of maturity and dignity in America long overdue. In cities across the country, people of all races, nationalities and religions are joining hands to truthfully acknowledge a period in our history that shaped and continues to influence our society today. Sensitized to the conditions and experiences of others, only then can we make significant and lasting improvements in our society.”

Budget Outlook

After years of surplus budgets, Californians are faced with a budget deficit and that means cuts. The Governor and legislature are faced with difficult choices making cuts across the board impacting the safety net of many, particularly those who need it most. NBLC is most grateful for our hardworking and dedicated legislators who are fighting for what matters most. No matter where you sit, this is going to be tough times ahead for Californians and NBLC is here to be an active participant in helping solve some of the North Bays biggest challenges.

At NBLC regular June board meeting last Friday, we received an update on the State budget from Ann Hollingshead, Principal Fiscal and Policy Analyst, Legislative Analyst’s Office. Ann’s outlook mirrored what we discovered over the weekend, when Gov. Gavin Newsom and the Democratic-led Legislature came to a budget agreement on Saturday



Below are some highlights:

- Business Net Operating Losses (NOLs) and Tax Credit Limitations would begin one year earlier. This delay generates \$5 billion in additional revenue.
- The legislature uses that additional budget capacity to reject some of the Governor’s spending solutions and/or provide other augmentations. For example:
 - \$1 billion for Homeless Housing, Assistance, and Prevention Program
 - The Budget restores funding for 11,000 new childcare slots. NBLC was very active in supporting this outcome
 - Middle Class Scholarship program will have a reduction of \$110 million per year starting in 2025-2026, but a one-time boost of \$289 million remains intact for this fiscal year.

- Some losses include a NBLC supported proposal to grow Cal Grant, the state's financial aid program for low-income students and their families.

Now that the budget is finalized, Gov. Newsom will deliver his State of the State address today in a pre-recorded message.

Artificial Intelligence (AI) - The Good, the Bad and the Scary

Artificial Intelligence (AI) is in everything we do. AI is now at the top of the google search filling in what it wants us to know. AI is telling Spotify what music to pick for us and ChatGPT is writing our speeches. But do we trust it? Do you want it flying the plane you might take this summer to a vacation spot, or driving the rental car once you get there?

According to a survey conducted last summer by [Forbes Magazine](#), most people don't think AI is quite ready to take over. Of the 1000 people responding, 67% don't want AI to make life or death decisions in war, 64% don't want AI as a jury in a trial, and 57% don't want AI to fly an airplane. According to the survey, many Americans still trust humans over AI by a large percentage. Those surveyed shared that they think people would do a better job of administering medicine, writing laws, and even choosing gifts, just to name a few.

Below are some examples I came across of how AI can be good, can be bad and downright ugly.

The Good:

Maybe it can save Downtown San Francisco. As reported by [Mark Calvey, Senior Reporter, San Francisco Business Times](#), "amid the slow recovery in a downtown still pockmarked by boarded-up storefronts and empty office buildings, there's the shining prospect of tapping into the next big thing: AI. In the last year alone, three of San Francisco's biggest AI companies have accounted for more than 900,000 square feet of leasing."

Good in the Construction Industry: "AI has improved safety protocols in the construction industry, helped businesses obtain more accurate forecasts of project costs and schedules, and helped the industry be more productive and more efficient", according to [Ali Shojaei Assistant Professor, Myers-Lawson School of Construction, Building Construction](#)

Good in the Health Sector: [Tying Bio and Tech closer](#) by Ron Leuty, Senior Reporter, San Francisco Business Times, reports- "AI is wiggling its way into a range of health care tasks, such as drawing faster, more-accurate conclusions from CT scans or more efficiently generating, processing and sharing medical records. But the use of large language models to build algorithms that learn, iterate and perfect their programs to dream up potential drugs is binding biology and technology in ways few imagined when "biotech" emerged nearly five decades ago." "AI assistants are performing routine tasks like schedule appointments and staffing call centers and transcribing notes to free up medical staff to spend more time with their patients too."

Good at the Office- At first launch, an AI assistant that has the ability to pull-real time market and property data, perform valuation analyses and manage a suite of productivity tools for real estate professionals at a rate that's 10 times faster and less expensive than a virtual assistant seemed really appealing and exciting. So much so that San Francisco's official trade group of real estate agent professionals, the San

Francisco Association of Realtors, also known as SFAR became the first MLS in the country to offer its members an AI assistant.

The downside of AI or The Bad- We have massive potential bias coming from AI generated information that can lead to potential misinformation and propaganda. It influences our decision-making process and makes us reliant on it as a tool to think and speak for us. I have heard from some educators who are concerned that it is impacting students' ability to think critically on their own and that students are having difficulty deciphering what is true and what messages and images are computer generated. There is also the loss of human connection due to the increase in this reliance and data privacy and security are real concerns as well. Copywriting issues are huge too. Now that legislators are finally taking notice of the seriousness of social media on our youth; [Surgeon General recommends health warnings](#) on social media platforms and [Just this month Governor Newsom released a statement that he wants to limit smart phone use in schools.](#), they are also taking notice of AI. As reported in [Politico](#), Senator Scott Wiener has introduced a bill aimed at AI tech companies requiring them to undergo safety testing. But AI companies are pushing back. "This bill, as it stands, could gravely harm California's ability to retain its AI talent and remain the location of choice for AI companies," [read the letter](#), which was signed by more than 140 AI startup founders." Another bill, SB 942, the California Artificial Intelligence Transparency Act was just approved by the Assembly Committee on Privacy and Consumer Protection. At its core, NBLC stands for sound public policy that allows innovation to grow in the North Bay but as AI innovation accelerates it will demand careful governance too.

There is also the concern of job security. It is true that in some sectors, like manufacturing, will experience job loss as AI can perform certain tasks more efficiently and with greater precision. Businesses will become more and more reliant on AI, and it is here to stay. We will need to take note of the good, the bad and the scary as innovation moves us forward and helps consumers get comfortable with it. "Take the example of the Internet, back in the early-to-late nineties; many consumers were probably wary of buying a home appliance or even a book from a website – a technology that could have looked like science fiction to the average American at the time," [said Walid Saad, Professor, Electrical and Computer Engineering](#)

"Today, the vast majority of our purchases are done online; this includes critical decisions like buying a new home or a new car. I foresee a similar trend with AI. It sounds a bit scary to start relying on a piece of software to make decisions on our behalf, such as driving our car or performing a medical diagnosis. This raises the question of whether AI might begin to replace real jobs like a driver or a doctor. These are, of course, valid concerns that, as technologists, we must take into account as we mature and develop the technology."

Saad recommends taking these potential scary aspects of AI and harnessing those for the betterment of society.

"In relation to jobs, we should view AI as an assistant to doctors, not a replacement. For instance, AI can potentially allow a doctor to sift through complex data to make better informed medical diagnoses much quicker than they could traditionally. Similarly, even though AI may indeed threaten some jobs, it will also help create new jobs that we perhaps cannot even define today", said Saad.

As part of our 2024 Workplan, NBLC will continue to advocate for workforce development programs and course curriculums that focus on closing the skills gap in high demand jobs in the North Bay, support College and Career Readiness programs, participate in School to Careers and Career Technical Education

programs; mentoring, job shadows and internships for students and support programs to increase interest and proficiency in STEAM (science, technology, engineering, arts and math) especially for girls.

The Scary: If you were at the Leaders of the North Bay awards luncheon you heard from our Youth Speech Contest winner, Evan Lichtblau about online scammers. He shared the story of how his grandfather was scammed out of \$60,000 savings by a fraudulent caller using AI to sound like his grandson. And then there was the more infamous case of Scarlett Johansson and how OpenAI developed an AI personal assistant voice that sounded eerily like her own.

[Ella Atkins, Fred D. Durham Chair in Engineering and Department Head of Aerospace and Ocean Engineering](#) confronted the ugliest possibility for me and gives food for thought, “AI, like people, can now speak with authority, so much that we are comforted in its accuracy. How do we as a species distinguish fact from fiction when both are presented so similarly? And how do we, as a species, prevent even more polarization than what currently exists due to AI tools 'giving users what they prefer' politically, technologically, and in advertisements? AI as a propaganda engine is dangerous, and we are already beginning to witness its effects.”

In Case You Missed It:

Please visit our [YouTube channel to meet the 2024 Leaders of the North Bay honorees](#) and view their video stories. I guarantee you will be inspired!

Welcome New Members

North Bay Leadership Council provides a strong voice for leading employers to drive public policy in our region. Our membership consists of private businesses, public institutions, hospitals and members in the health care sector, government agencies, as well as nonprofits. They represent over 65,000 employees, across 27 different industry sectors. This diversity in membership brings the vision needed to our work to address complex issues and improve the community as a whole. The challenges we face require regional leadership, to work collaboratively in finding regional solutions.

- [Center for Volunteer & Nonprofit Leadership](#)
- [Nielsen Merksamer](#)

Members in the News

SMART Shuttle Links Train and Ferry in Larkspur

Sonoma-Marin Area Rail Transit has fulfilled a longtime goal and added a shuttle linking the train and ferry in Larkspur.

The Buck Institute for Research on Aging Explores How the Ketogenic Diet Improves Healthspan and Memory in Aging Mice

The ketogenic diet has its fanatics and detractors among dieters, but either way, the diet has a scientifically documented impact on memory in mice.

BioMarin to Present Data Highlighting Significant Impact of VOXZOGO® (vosoritide) in Bone Health and Health-Related Quality of Life in Achondroplasia at 2024 International Conference on Children's Bone Health

BioMarin Pharmaceutical Inc. (Nasdaq: BMRN) announced the presentation of new data from an investigator-led analysis of the Phase 2 111-205 study, which demonstrate that children with achondroplasia treated with VOXZOGO® experienced increases in bone length while maintaining bone strength.

Arrow Benefits Group's Diversity Leader Rosario Avila is BenefitsPRO Advisor of the Year Finalist & NABIP Equity in the Workplace Panelist

Arrow Benefits Group, one of the largest benefits consulting firms in the North Bay, proudly announces, Rosario Avila, Senior Benefits Advisor/ Spanish Language Division Lead is a BenefitsPRO 2024 Advisor of the Year finalist and honored special guest panelist for this year's National Association of Benefits and Insurance Professionals (NABIP) conference.

Redwood Credit Union Promotes Kristen Mahlmann to Chief Financial Officer

Kristen Mahlmann has been promoted to chief financial officer for Redwood Credit Union.

Sutter Health's CPMC and San Francisco State Team Up to Target Nursing Shortage

A chance meeting led to the start of a new program that accelerates training for an expanded number of San Francisco State University nursing students and opens the door for California Pacific Medical Center nurses to teach.

College of Marin Marks Milestone on \$116M Student Center

More than 200 College of Marin students, staff and community members gathered this week to salute a key stage of construction on a new \$116 million student center.

SMART Tax Renewal Passed by California Senate

As SMART officials stay mum on when they will seek extension of a sales tax needed to keep trains rolling, a bill enabling voters to place a renewal on the ballot has passed the California Senate.

Sonoma County Winegrowers Awarded the "Paint the Community Green" Environmental Stewardship Award by the North Bay Leadership Council

The Sonoma County Winegrowers were honored to attend the Leaders of the North Bay Awards Luncheon, where we were awarded the "Paint the Community Green" Environmental Stewardship Award.

Congratulations to Our Members Who Made the North Bay Biz 2024 Hall of Fame

Exchange Bank, Redwood Credit Union, and Nelson Connects all made the 2024 Hall of Fame!



North Bay Leadership Council is the strong voice of employers who advocate for sound public policy affecting the North Bay, demonstrate and grow leadership within the region, and collectively work for a more resilient, prosperous and equitable future. For more information: Call 707.283.0028 / E-mail info@northbayleadership.org

www.northbayleadership.org