

SENATE PRIVACY, DIGITAL TECHNOLOGIES, AND CONSUMER PROTECTION COMMITTEE
Senator Christopher Cabaldon, Chair
2025-2026 Regular Session

AB 2392 (Fong)
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Fiscal: Yes
Urgency: No
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SUBJECT

Public postsecondary education: generative artificial intelligence systems:
procurement standards: training

DIGEST

This bill requires the California Community Colleges and the California State University (collectively “California colleges”), and requests the University of California, to convene a working group to develop standards for generative AI (GenAI) training and procurement, to provide said training, and to report to the Legislature, as specified.

EXECUTIVE SUMMARY

Post-secondary institutions are increasingly deploying GenAI tools across teaching, research, and administrative functions, often moving faster than the policies, ethical frameworks, and staff competencies needed to support responsible use. Without procurement decisions driven by rigorous evaluation, faculty, staff, and students are left to navigate tools that may be poorly suited to an academic context. Before acquiring and deploying these tools, institutions need robust procurement standards that assess not just functionality but transparency, data governance, vendor accountability, and the specific needs of diverse campus populations. Equally important is meaningful training that builds genuine AI literacy, ensuring all involved understand both the capabilities and the limitations of what they are being asked to work with. Getting this right is not a barrier to innovation; it is the foundation on which trustworthy and educationally sound GenAI use must be built.

This bill tasks the California colleges with establishing a working group to develop such procurement standards and AI training and to provide such trainings in their institutions. The University of California is requested to jointly convene and partake in the working group. The bill is authored-sponsored. No timely support or opposition has been received. The bill passed the Senate Education Committee on a vote of 5 to 0. Committee amendments were agreed upon in that committee, but will be taken here.

PROPOSED CHANGES TO THE LAW

Existing law:

- 1) Defines “artificial intelligence” to mean an engineered or machine-based system that varies in its level of autonomy and that can, for explicit or implicit objectives, infer from the input it receives how to generate outputs that can influence physical or virtual environments. (Gov. Code. § 11549.64(a).)
- 2) Defines “GenAI” or “generative artificial intelligence” to mean an artificial intelligence system that can generate derived synthetic content, including text, images, video, and audio that emulates the structure and characteristics of the system’s training data. (Gov. Code. § 11549.64(b).)
- 3) Establishes the California Community Colleges, consisting of community college districts, under the administration of the Board of Governors of the California Community Colleges, as one of the segments of public postsecondary education in this state. (Ed. Code § 70900.)
- 4) Establishes, under the California Constitution, the University of California (UC) as a public trust to be administered by the Regents of the UC with full powers of organization and government, subject only to such legislative control as may be necessary to insure the security of its funds and compliance with the terms of the endowments of the university, and such competitive bidding procedures as may be made applicable to the university for construction contracts, selling real property, and purchasing materials, goods, and services. (Cal. Const. art. IX, § 9.)
- 5) Provides that statutes related to the UC, and most other aspects of the governance and operation of the UC are applicable only to the extent that the Regents of the UC make such provisions applicable. (Ed. Code § 67400.)

This bill:

- 1) Requires California colleges, before providing a GenAI system to students, faculty, or staff, to convene a joint working group to develop responsible GenAI training protocols and procurement standards for the purchase, development, and use of GenAI systems for educational purposes.
- 2) Requires the working group to include privacy experts, representatives from student and faculty advocacy organizations, community-based organizations, and civil society groups, and academic researchers focused on responsible GenAI procurement, design, and implementation.

- 3) Requires the working group to develop procurement standards that ensure that any procured GenAI system meets all of the following minimum protections:
 - a) The system has undergone a documented risk assessment that evaluated potential harms, misuses, abuses, and bias, and has demonstrably effective measures in place to ensure the system does not output harmful content or illegal content, including nonconsensual intimate imagery, suicide and suicidal ideation, disordered eating, and mental health therapy ordinarily administered by a licensed professional.
 - b) The system does not prioritize engagement over factual accuracy by using excessive sycophancy. "Sycophancy" means the tendency of a GenAI system to overly agree with, validate, or flatter a user even when the user is communicating factually inaccurate or illegal ideas or actions for the primary purpose of optimizing engagement.
 - c) The system's vendor has a safety monitoring protocol that detects a user's intent to harm themselves or others, escalates to human review, and, in cases of imminent threat or grave bodily injury or death, makes appropriate referrals to authorities.
 - d) The vendor has a transparent incident reporting system to report and respond to harmful outputs.
 - e) The system is subject to written policies governing data use, retention, sharing with third parties, and deletion timelines.
 - f) The system is configured to collect only data that is strictly necessary for the stated educational purpose and is subject to regular audits.
 - g) The system's vendor discloses all training data sources, including whether copyrighted content, personally identifiable information, or student-generated content was used.
 - h) As it can be reasonably determined, the vendor does not contract with entities that have unlawfully undermined privacy or civil liberties.
 - i) As it can be reasonably determined, the vendor does not use exploitative labor practices.
- 4) Requires the working group to develop a training on the use of any procured GenAI system that shall include the following:
 - a) Relevant policies of the institution concerning the use of a GenAI system, including policies related to academic integrity.
 - b) A disclosure of the privacy policies applicable to a GenAI system, including how user data and prompts may be collected, stored, or used to train the system.
 - c) Guidance on the limitations of a GenAI system, including the potential for inaccurate, incomplete, or misleading outputs.
- 5) Provides that the working group, on or before January 1, 2028, must present its recommendations for procurement standards and training to the respective system leaders.

- 6) Requires the training developed pursuant to the above to be provided to students, faculty, and staff, as applicable, before providing a GenAI system to them. Distinct versions of the training may be developed for the various California Colleges.
- 7) Requests the University of California to jointly convene and take part in the working group with the California colleges.
- 8) Requires the California colleges, and requests the University of California, to do the following:
 - a) Review the training developed at least once per academic year and update the training as necessary to reflect changes in institutional policy, applicable law, or the functionality or privacy practices of the GenAI system. An updated training shall be provided to students, faculty, or staff, as applicable, before their continued use of a product that has undergone a material change in functionality or privacy practices.
 - b) Maintain records of completed trainings required pursuant to this article for each student, faculty member, and staff member who receives a training. Records shall include, at minimum, the name of the individual, the date of completion, and the version of the training delivered, and shall be retained for a minimum of four years following the date of completion.
- 9) Requires the California colleges, and requests the University of California, to submit a written report to the Legislature and relevant policy committees thereof, before executing a contract for the procurement of a GenAI system during the period beginning on January 1, 2027, and ending upon the adoption of procurement standards, as recommended by the working group. The report shall include, but not be limited to, a description of all of the following:
 - a) The GenAI system to be procured, including the vendor name, the intended use, and the population of students, faculty, or staff who will have access to the system.
 - b) The process used in evaluating and selecting the system, including any risk assessments conducted, competing systems considered, and how the procurement decision was made.
 - c) The training that will be provided to students, faculty, and staff before the deployment of the system, including the content of the training and the method of delivery.
 - d) The data use, retention, and privacy practices of the vendor, including how user data and prompts may be collected, stored, or used to train the system.

COMMENTS

1. California colleges and GenAI

California colleges have already begun to rapidly incorporate GenAI into their campuses. In February of last year, the California State University announced an initiative to that effect:

Today, the California State University (CSU), the largest and most diverse public four-year university in the country, announced a first-of-its-kind public-private initiative with some of the world's leading tech companies, including Adobe, Alphabet (Google), AWS, IBM, Instructure, Intel, LinkedIn, Microsoft, NVIDIA, OpenAI, and the Office of California Governor Gavin Newsom that will leverage the power of artificial intelligence to create an AI-empowered higher education system that could surpass any existing model in both scale and impact.

The CSU's unprecedented adoption of AI technologies will make trainings, learning, and teaching tools – including ChatGPT – available across all 23 CSU universities, ensuring that the system's more than 460,000 students and 63,000 faculty and staff have equitable access to cutting-edge tools that will prepare them to meet the rapidly changing education and workforce needs of California. The CSU expects to make these tools available within the next few weeks.

Despite the ambitious roll out of the initiative, a survey of the campuses revealed that while there was agreement about the potential benefits of this technology, students had many concerns about implementation:

Students recognize that a systemwide rollout helps prevent a digital divide between well-resourced and under-resourced campuses. At the same time, survey data indicate broad agreement on AI's potential benefits, with 59.8% of students and 72.2% of faculty generally agreeing that AI technology can enhance creativity and innovation (SDSU). However, students also stress that implementation without meaningful student input risks deepening inequities in understanding, usage, and trust. Across campuses, students report that many peers are unaware that ChatGPT Edu is available to them or unclear about how to use it effectively. Students are raising concerns about faculty transparency, noting that new policies are being created to require professors to declare in their syllabi whether AI use is permitted, which is an important step toward consistency, but one that also reveals the fragmented rollout of this initiative. Through various discussions, students have warned that AI engagement (not usage) remains extremely low among students, as

awareness and training lag far behind activation numbers. Students describe the implementation as rushed, top-down, and lacking transitional support, leaving many to “catch up” with a technology that has already reshaped classroom expectations.

One of the most common complaints of students was the “absence of a consistent, transparent classroom policy on AI use” and many had concerns about AI “deeply rooted in fears over personal privacy, with 83.5% of students generally agreeing that they worry about AI’s impact on personal data”:

Students have expressed widespread uncertainty about the data privacy and governance of the CSU’s AI partnership. Many question if the Chancellor’s office or individual campuses monitor the data compliance, what happens to student data after the CSU OpenAI contract expires, and if conversations, assignments, or user behavior data are being stored or shared? Despite the CSU’s intent to provide a secure, institutionally licensed platform, students report preferring the free version of ChatGPT over ChatGPT Edu, not out of convenience, but out of fear that their activity could be monitored. This behavior reflects a broader trust gap, where the presence of an official systemwide tool has not translated into confidence about how student data is handled. Additionally, student leaders across the CSU question the funding transparency behind the \$17 million deal with OpenAI, asking whether these funds are derived from student tuition, state appropriations, or reallocated CSU resources. These fiscal concerns are intensified by the fact that many students observed the rollout of AI funding alongside a trend of intensive campus and system budget cuts, with the system facing a \$2.3 billion budget gap, reinforcing perceptions that institutional priorities were set without sufficient student input.

2. Ensuring more thoughtful development and deployment of GenAI on campus

Learning from these lessons, this bill requires California colleges, and requests the University of California, to convene a joint working group to develop responsible training protocols and procurement standards for the purchase, development, and use of GenAI systems for educational purposes. The working groups must be made up of a diverse portfolio of representatives, including from student and faculty advocacy organizations.

The procurement standards developed must ensure that any procured GenAI system meets certain baseline protections. This includes that the system does not value engagement over factual accuracy by using excessive sycophancy. It requires the system to have undergone a documented risk assessment and to be configured to collect only data that is strictly necessary for the stated educational purpose and is subject to regular

audits. The vendor must have a transparent incident reporting system and safety monitoring protocol. The system must be subject to written policies governing data use, retention, sharing with third parties, and deletion timelines. The standards must ensure that the system's vendor discloses all training data sources, including whether copyrighted content, personally identifiable information, or student-generated content was used.

The joint working group must also develop a training on the use of any procured GenAI system that includes relevant policies of the institution concerning the use of a GenAI system, including policies related to academic integrity and a disclosure of the privacy policies applicable to the GenAI system, including how user data and prompts may be collected, stored, or used to train the system. The training must include guidance on the limitations of a GenAI system, including the potential for inaccurate, incomplete, or misleading outputs. The California colleges are required to present their recommendations for procurement standards and training to the respective system leaders on or before January 1, 2028.

The California colleges must, and the University of California is requested to, provide the above training to students, faculty, and staff before deploying the GenAI system. The training must be reviewed and updated as specified.

To gain insights into such deployment, a report is required to be submitted to the Legislature before executing a contract for procurement of a GenAI system.

According to the author:

On August 26th, 2025, the Assembly Committees on Higher Education & Privacy and Consumer Protection jointly held an oversight hearing to examine the California State University's AI-Empowered Initiative. A key finding of this hearing was that students, faculty, and staff did not receive training on ChatGPT Edu prior to the deployment of that tool throughout the CSU system. Another key finding of the hearing was that students, faculty, and staff expressed a lack of clarity around institutional policies concerning AI use, and the privacy of information shared with AI systems.

AB 2392 applies lessons learned from the rollout of CSU's AI-Empowered Initiative by requiring California's public universities – the CCC, CSU, and UC – to form a joint working group to develop responsible standards for how they buy and deploy generative AI tools, with recommendations due by January 1, 2028. While these standards are being developed, the segments will be required to submit a written reports to the Legislature when they enter into new generative AI contracts, describing what they're buying, why it chose that product, how it plans to

train users, and how the vendor handles data. Once the working group delivers its recommended training, institutions must provide that training to all students, faculty, and staff, review and update the training every academic year, and keep records of who completed it. AB 2392 is designed to ensure California's public higher education systems are thoughtful and transparent as they adopt generative AI tools, and to ensure that these tools are not provided without adequate safeguards or user preparation.

3. Senate Education Committee amendments

The author accepted a number of amendments in the Senate Education Committee, which will be taken in this Committee. These amendments include:

- Removing the requirement that the working group be convened *before* providing a GenAI system to students, faculty, or staff.
- Providing that the procurement report required to be submitted to the Legislature is no longer required before executing a contract for procurement of any GenAI system, but instead allows for it to be submitted within 60 days after “execution of a systemwide contract of a GenAI system.”
- Making technical and clarifying changes.

SUPPORT

None received

OPPOSITION

None received

RELATED LEGISLATION

SB 951 (Reyes, 2026) establishes the California Worker Technological Displacement Act to, among other things, require employers to provide a 60-day advanced written notice before any technological displacement affecting a specified number of its workforce; prohibit employers from discharging an affected worker without reasonable and substantiated cause during this 60-day period; grant impacted workers the right of first bid on other positions with the employer; and prescribe penalties and specified remedies for violations. SB 951 is currently in the Assembly Privacy and Consumer Protection Committee.

AB 412 (Bauer-Kahan, 2026) places obligations on GenAI developers to document “covered material” used to train their models and to facilitate a process for “rights owners” to determine whether their protected material was so used. AB 412 is currently in the Senate Appropriations Committee.

AB 1898 (Shultz, 2026) requires employers to give workers at least 90 days' advance written notice before deploying any "workplace AI tool," defined to include both ADS and AI-based surveillance technologies. Employers must provide workers a notice that, among other disclosures, lists the tools used by the employers, each tool's purpose, the data it collects, the employment decisions it may affect, and any quotas the tool sets or enforces. Enforcement falls to the Labor Commissioner, public prosecutors, and workers themselves, with civil penalties of up to \$500 per violation. AB 1898 was held in the Assembly Appropriations Committee.

AB 2504 (Bauer-Kahan, 2026) requires the Chancellor of the California Community Colleges to establish the Future of Creative Industries Pilot Program in partnership with labor unions representing creative workers and to report to the Legislature on its progress. AB 2504 is currently in this Committee and set to be heard the same day as this bill.

AB 2544 (Gabriel, 2026) requires GO-Biz to establish and administer a pilot program to develop a model for delivering high-quality, workforce-centered AI literacy instruction focused on careers in the entertainment industry. It requires GO-Biz, among other things, to enter into partnerships with entertainment industry unions and guilds, entertainment industry employers, and film schools, among others, to support the pilot program, as specified. It requires the office, on or before January 1, 2029, to submit a report to the Legislature summarizing the results of the pilot program and providing recommendations for continuation, modification, or expansion of the pilot program, as specified. AB 2544 is currently in the Assembly Committee on Economic Development, Growth, and Household Impact.

AB 2656 (Petrie-Norris, 2026) requires certain public employers to provide a recognized employee organization no less than 45 days' written notice before taking an action to develop, purchase, implement, or utilize any generative AI (GenAI) to perform a service that is within the scope of work of the job classification represented by the recognized employee organization. AB 2656 is currently in this Committee and set to be heard the same day as this bill.

PRIOR VOTES:

Senate Education Committee (Ayes 5, Noes 0)

Assembly Floor (Ayes 77, Noes 0)

Assembly Appropriations Committee (Ayes 14, Noes 0)

Assembly Privacy and Consumer Protection Committee (Ayes 15, Noes 0)

Assembly Higher Education Committee (Ayes 10, Noes 0)
