
SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

AB 2392 (Fong) - Public postsecondary education: generative artificial intelligence systems: procurement standards: training

Version: June 30, 2026

Policy Vote: ED. 5 - 0, P., D.T., & C.P. 9 - 0

Urgency: No

Mandate: No

Hearing Date: August 3, 2026

Consultant: Lenin Del Castillo

Bill Summary: This bill requires the California Community Colleges (CCCs) and the California State University (CSU), and requests the University of California (UC), before providing a generative artificial intelligence (GenAI) system to students, faculty, or staff, to convene a joint working group to develop standards for responsible GenAI training and procurement and provide the training to students, faculty, and staff.

Fiscal Impact:

- The CSU anticipates General Fund costs in the mid hundreds of thousands of dollars for staff and CSU stakeholders to participate in the working group, develop and provide the training required by the bill, and produce the report required upon the execution of a Generative AI system contract for the designated time period. The CSU also anticipates ongoing General Fund costs in the low hundreds of thousands of dollars each year for staff to review and update the training per academic year, and to maintain records of completed trainings systemwide.
- The UC estimates that this bill would result in one-time costs of \$450,000 to \$600,000. This estimate includes intersegmental stakeholder engagement, convenings, staff coordination, development of recommendations, GenAI procurement standards, training standards/protocols, development and production of mandatory AI training, training completion tracking, annual reviews and updates, and legislative reporting related to systemwide GenAI contracts. The UC also estimates ongoing General Fund costs of approximately \$100,000 each year for workgroup coordination, annual review, vendor-associated content updates, reporting, and mandatory training compliance monitoring. This estimate assumes that the working group would meet in subsequent years.
- The Chancellor's Office estimates one-time General Fund costs of between \$19,000 and \$83,000 to jointly convene and participate in an intersegmental working group to develop standards for responsible GenAI training and procurement, \$8,000 to \$60,000 for each legislative report that is produced anytime a GenAI system is procured for the entire system. Additionally, the Chancellor's Office estimates ongoing General Fund costs \$13,000 to \$60,000 to review and update training each year, and up to \$55,000 each year to compile and maintain records of completed trainings.

Background: Existing law requires the Superintendent of Public Instruction (SPI) to convene a working group on artificial intelligence (AI), and requires that working group to develop guidance and a model policy on AI for use by local educational agencies (LEAs).

Existing law defines “artificial intelligence” or “AI” 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.

Existing law defines “generative artificial intelligence” or “GenAI” to mean an AI 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.

Proposed Law: This bill provides that “artificial intelligence” means the same definition as in the Generative Artificial Intelligence Accountability Act, which is 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.

This bill provides that “generative artificial intelligence” or “GenAI” means the same definition as in the Generative Artificial Intelligence Accountability Act, which is an AI 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.

This bill provides that “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.

This bill requires the CCCs and the CSU, and requests the UC, to do both of the following:

1. Jointly convene and participate in an intersegmental working group to develop standards for responsible GenAI training and procurement, as specified. It states that the purpose of the working group is to develop responsible training protocols and procurement standards for the purchase, development, and use of GenAI systems for educational purposes that are consistent with current law regarding the regulation, procurement, development, and use of GenAI systems.
2. Provide the specified training to students, faculty, or staff, as applicable, and authorizes the Chancellor’s Office of the CCCs, the CSU, and the UC to develop distinct versions of this training that are tailored to reflect the distinct uses, responsibilities, and applicable policies that are relevant to students, faculty, and staff, respectively.

This bill requires the working group to be jointly convened by the California Colleges Chancellor’s Office and the CSU Chancellor’s Office. It requires the working group to develop procurement standards that ensure that any procured GenAI system meets the specified minimum protections, develop a training on the use of any procured GenAI

system, as specified, and present its recommendations, by January 1, 2028, for procurement standards and the specified training to the respective system leaders.

This bill requires that the working group develop procurement standards that ensure that any procured GenAI system meets minimum protections, as specified.

This bill requires that the working group develop a training on the use of any procured GenAI system to include, but not be limited to, all of the following:

1. Relevant systemwide policies concerning the use of a GenAI system, including policies related to academic integrity.
2. An overview of the privacy policies applicable to a GenAI system, including how user data and prompts may be collected, stored, or used to train GenAI systems, and internet website links to the privacy policies.
3. Guidance on the limitations of a GenAI system, including the potential for inaccurate, incomplete, or misleading outputs.

This bill requires the CCCs and the CSU, and requests of the UC, to do the following:

1. Review the specified developed training at least once per academic year and update the training as necessary to reflect changes in systemwide policy, applicable law, or the functionality or privacy practices of the GenAI system.
2. Maintain records of completed required trainings for each student, faculty member, and staff member who receives a training, and requires that records include, at minimum, the name of the individual, the date of completion, and the version of the training delivered, and be retained for a minimum of four years following the date of completion.

This bill requires the Chancellor of the CCCs and the CSU, and requests of the UC, until GenAI procurement standards are adopted, to submit a written report to relevant policy committees of the Legislature with jurisdiction over higher education and privacy and consumer protection within 60 days following the execution of a systemwide contract of a GenAI system. It requires the report include, but not be limited to, a description of all of the following:

1. The GenAI system that was procured, including the vendor name, the intended use, and the population of students, faculty, or staff who will have access to the system.
2. The process used in evaluating and selecting the system, including any risk assessments conducted, competing systems considered, and how the procurement decision was made.
3. The training that will be provided to students, faculty, and staff, including the content of the training and the method of delivery.

4. 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.

Related Legislation: SB 896 (Dodd, Chapter 928, Statutes of 2024), known as the Generative Artificial Intelligence Accountability Act, requires: the Department of Technology to report to the Governor as required by Executive Order N-12-23 and for the Office of Emergency Services to perform a risk analysis of potential threats posed by the use of GenAI to California's critical infrastructure.

Staff Comments: In February 2025, the CSU system announced a public-private initiative to become the nation's first and largest "AI-empowered" university system, announcing partnerships with leading technology companies such as Adobe, Google, Amazon Web Services, IBM, Intel, LinkedIn, Microsoft, NVIDIA, and OpenAI. The CSU highlighted its work with OpenAI to deploy ChatGPT Edu, which is a version of ChatGPT offering advanced tools, security, and controls for educational institutions, and as part of this initiative, available to all CSU campuses. In August 2025, the Assembly Committees on Higher Education & Privacy and Consumer Protection jointly held an oversight hearing to examine the CSU's AI initiative in response to various concerns that had been raised, including implementation issues, timing, and lack of training. According to the author, "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." Later in January 2026, faculty delivered a petition to CSU leadership urging cancellation of the contract over concerns that ChatGPT Edu is "not designed, trained, or optimized for education." This bill is a response to feedback that was received during the oversight hearing and among other things, requires a workgroup to develop responsible trainings on GenAI for students faculty, and staff.

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