

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

AB 2504 (Bauer-Kahan)
Version: June 11, 2026
Hearing Date: June 29, 2026
Fiscal: Yes
Urgency: No
CK

SUBJECT

Community colleges: artificial intelligence: pilot program

DIGEST

This bill 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.

EXECUTIVE SUMMARY

Generative AI (GenAI) is reshaping the creative industries at a pace that outstrips most workers' ability to adapt and automating tasks that once formed the essential work of illustrators, writers, actors, musicians, voice actors, and designers. While the technology opens new creative possibilities, it simultaneously disrupts the human craft and experience that underpin those possibilities, often trained, without consent or compensation, on the very work it now displaces. The economic disruption is real and accelerating: freelance markets are shrinking, stock image libraries are in freefall, and entry-level creative roles, traditionally how new talent breaks in, are vanishing. This calls for targeted support programs that go beyond generic retraining schemes. The creative workforce has always been adaptable, but adaptation requires time and resources, both of which demand deliberate policy and institutional support.

This bill seeks to build that by calling upon the Chancellor of the Community Colleges to establish a pilot program in partnership with the unions representing the creative industry in order to support those in the industry at risk of displacement by GenAI through structured reskilling and upskilling opportunities with curriculum and training models that reflect the real tools, conditions, and career pathways of the workforce being served. A report is required to be provided to the Legislature evaluating outcomes. The bill is sponsored by William Morris Endeavor and supported by the Association of Talent Agents. No timely opposition has been received by the Committee. It passed out of the Senate Education Committee on a vote of 7 to 0.

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 bill¹:

- 1) Requires the office of the Chancellor of the California Community Colleges (Chancellor’s office) to establish the Future of Creative Industries Pilot Program to be developed in partnership with labor unions representing creative workers and with industry representatives, with the following goals:
 - a) Supporting workers in California’s creative and entertainment industries, including film, television, music, touring, and live events, who have been or are at risk of being displaced by GenAI, including sound engineers,

¹ Amendments limiting this bill to ten community colleges rather than 10 community college districts were agreed to in the Senate Education Committee. Those amendments will be taken in this Committee. This analysis is of the bill as agreed to be amended.

voice actors, concept artists, and employees in entry-level positions, by providing structured reskilling and upskilling opportunities through the California Community Colleges.

- b) Ensuring that each participating community college program is designed and implemented in meaningful partnership with labor unions representing creative workers and with industry representatives so that curriculum and training models reflect the real tools, conditions, and career pathways of the workforce being served.
 - c) Establishing a coordinated, outcomes-driven model that California Community Colleges and workforce systems can replicate across sectors facing artificial intelligence-driven employment disruption.
- 2) Requires the Chancellor's office to, on or before June 30, 2027, establish eligibility requirements for community colleges seeking to apply to participate in the pilot program. The Chancellor's office shall choose up to 10 community colleges and is encouraged to provide for regional diversity.
 - 3) Requires the implementation of the pilot program to begin on or before July 1, 2028.
 - 4) Requires the Chancellor's office to submit a report to the Legislature, on or before January 1, 2032, evaluating the effectiveness of the pilot program and including:
 - a) The number of participants who completed the pilot program, a comprehensive list of the certificates or degrees awarded to them, and their outcomes and job placement rates, all disaggregated by student demographics.
 - b) Outcomes and legislative recommendations.
 - 5) Becomes operative only upon an appropriation by the Legislature and remains in effect only until January 1, 2033, and as of that date is repealed.

COMMENTS

1. GenAI's impact on creative economies

The introduction of GenAI is reshaping California's creative economies. Early evidence suggests major disruption may be underway, and the true impact on jobs, incomes, and long-term careers remains largely unknown. While new tools can enhance creators' workflows, the rapid influx of AI-generated content also threatens to dilute markets, suppress wages, and devalue human-made work. To date, few studies have assessed how AI will affect jobs and incomes for writers, actors, musicians, designers, and other creators. Further research will be necessary to fully understand the transformative effect that AI is having on California's creators.

A global report published by the International Confederation of Societies of Authors and Composers (CISAC and PMP Strategy) in December 2024 projected the emergence of a massive market for AI-generated content. The study estimated that AI-generated audiovisual content, including film and TV, could be worth €48 billion (\$55.73 billion) by 2028. However, the report warned that up to 21 percent of creators' revenue in film and TV could be cannibalized as a result:

In an unchanged regulatory framework, creators will actually suffer losses on two fronts: the loss of revenues due to the unauthorised use of their works by Gen AI models without remuneration; and replacement of their traditional revenue streams due to the substitution effect of AI-generated outputs, competing against humanmade works.²

Meanwhile, the market for AI-generated music is projected to surge in the coming years. The CISAC study projected that the market for AI-generated music would grow to €64 billion (\$74.3 billion) in 2028, with revenues for AI music platforms alone rising to about €4 billion (\$4.64 billion). GenAI is forecast to claim roughly 20 percent of streaming music revenues by 2028, and AI-generated music has begun to regularly appear on the Billboard and Spotify charts.³ One Guardian report found an entirely AI-created band – the Velvet Sundown – had amassed over one million Spotify streams.⁴

2. Responding to impending GenAI displacement in the creative industries

This bill seeks to respond to the impacts GenAI is likely to have on the creative industries by requiring the Chancellor of the California Community Colleges to establish a Future of Creative Industries Pilot Program. The pilot shall be developed in partnership with the relevant labor unions and shall focus on achieving the following goals:

- Supporting workers in California's creative and entertainment industries, including film, television, music, touring, and live events, who have been or are at risk of being displaced by generative artificial intelligence, including sound engineers, voice actors, concept artists, and employees in entry-level positions, by providing structured reskilling and upskilling opportunities through the California Community Colleges.
- Ensuring that each participating community college program is designed and implemented in meaningful partnership with labor unions representing creative

² *Study on the economic impact of Generative AI in the Music and Audiovisual industries* (November 2024) PMP Strategy & CISAC, <https://www.cisac.org/services/reports-and-research/cisacpmp-strategy-ai-study>.

³ Aisha Down, *AI slop tops Billboard and Spotify charts as synthetic music spreads* (November 13, 2025) The Guardian, <https://www.theguardian.com/technology/2025/nov/13/ai-music-spotify-billboard-charts>.

⁴ Lanre Bakare, *An AI-generated band got 1m plays on Spotify. Now music insiders say listeners should be warned* (July 14, 2025) The Guardian, <https://www.theguardian.com/technology/2025/jul/14/an-ai-generated-bandgot-1m-plays-on-spotify-now-music-insiders-say-listeners-should-be-warned>.

workers and with industry representatives so that curriculum and training models reflect the real tools, conditions, and career pathways of the workforce being served.

- Establishing a coordinated, outcomes-driven model that California Community Colleges and workforce systems can replicate across sectors facing artificial intelligence-driven employment disruption.

According to the author:

AB 2504 supports and upskills professional staff within the creative and entertainment industries by creating the Future of Creative Industries Pilot Program. The introduction and rapid advancement of generative artificial intelligence (GenAI) is fundamentally reshaping California's creative economy and the careers within it. Capable of producing text, images, video, and audio that emulates the expressive works used to train it, GenAI is driving early but significant disruption across these fields. The scale of what is at stake is far from abstract; these concerns were central to the 2023 Hollywood strikes, and a structural shift in production activity continues to deepen the challenge for the region's creative workforce.

Implementation of the program at up to ten community colleges chosen must commence before July 1, 2028, but the bill does not become operative until funds are appropriated by the Legislature. The bill sunsets January 1, 2033.

William Morris Endeavor writes jointly with SAG-AFTRA and Adobe:

AB2504 establishes the Future of Creative Industries Pilot Program: a workforce training partnership between the entertainment industry and the California Community Colleges, designed by, with, and for employers and workers. It is an early investment in skills and infrastructure that will allow California to adapt more effectively and to focus on augmenting human work rather than replacing it.

The California Community Colleges Chancellor's Office, in partnership with unions including SAG-AFTRA, employers including WME, and tech leaders including Adobe will deliver industry-connected training that helps workers adapt, embraces human creativity, teaches new tools, and gives employers the skilled talent they need to compete globally.

Writing in support, the Association of Talent Agents asserts:

AB 2504 provides the necessary structural support to transition our workforce from traditional methods to modernized, tech-integrated

workflows. By investing in the upskilling of our workforce, we ensure that:

- California Remains the Innovation Hub: By teaching new ways of doing business, we keep production activity and talent within the region.
- Economic Stability through Mastery: Upskilling ensures that employees at all levels can leverage GenAI to enhance productivity and creativity, rather than being sidelined by it.
- Continued Cultural and Economic Strength: Empowering the creatives who built this field allows them to lead the inevitable structural shifts in the industry.

SUPPORT

Adobe Systems
Association of Talent Agents
California Arts Advocates
California Community Colleges Chancellor's Office
William Morris Endeavor

OPPOSITION

None received

RELATED LEGISLATION

SB 947 (McNerney, 2026) regulates the use of automated decision systems (ADS) in the employment context, prohibiting certain uses and limiting the purposes for which ADS can be used. Certain disclosures are required when ADS are primarily relied upon to make a disciplinary, termination, or deactivation decision. SB 947 is currently in the Assembly Privacy and Consumer Protection Committee.

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 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 set to be heard in this Committee the same day as this bill.

PRIOR VOTES:

Assembly Floor (Ayes 78, Noes 0)

Assembly Appropriations Committee (Ayes 15, Noes 0)

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

Assembly Higher Education Committee (Ayes 9, Noes 0)
