
SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

AB 2504 (Bauer-Kahan) - Community colleges: artificial intelligence: pilot program

Version: June 30, 2026

Policy Vote: ED. 7 - 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 Chancellor's Office to establish the Future of Creative Industries Pilot Program to support workers in the state's creative and entertainment industries who have been or are at risk of being displaced by generative artificial intelligence (AI) by providing structured reskilling and upskilling opportunities through the California Community Colleges (CCCs).

Fiscal Impact: While the bill's provisions would be subject to an appropriation, the 2026 Budget Act includes \$15 million in Proposition 98 General Fund on a one-time basis for the Future of Creative Industries Pilot Program.

Background: Existing law establishes the CCCs under the administration of the Board of Governors (BOG) and specifies that the CCC system consists of community college districts (CCDs).

Existing law requires that a CCD be under the control of a governing board. It requires the governing board of a CCD to establish, maintain, operate, and govern one or more CCCs in accordance with law, and provides that CCDs shall establish policies for and approve courses of instruction and educational programs.

Existing law establishes the California Online Community College, under the administration of the BOG, and requires the college to develop a Research and Development Unit to, among other things, focus on using technology, data science, behavioral science, machine learning, and AI to build out student supports.

Proposed Law: This bill requires the Chancellor's Office to establish the Future of Creative Industries Pilot Program, which shall be operative only upon an appropriation by the Legislature in the annual budget act or another statute for its purposes. It requires the pilot program be developed in partnership with labor unions representing creative workers and with industry representatives.

This bill requires the pilot program be developed to achieve all of the following goals:

1. Supporting workers in the state's creative and entertainment industries who have been or are at risk of being displaced by generative AI, as specified, by providing structured reskilling and upskilling opportunities through the CCCs.

2. Ensuring that each participating CCD's 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.
3. Establishing a coordinated, outcomes-driven model that CCCs and workforce systems can replicate across sectors facing AI-driven employment disruption.

This bill requires the Chancellor's Office, by June 30, 2027, to establish eligibility criteria for CCCs seeking to apply to participate in the pilot program. It requires the pilot program to be limited to up to 10 CCDs statewide, to be selected by the Chancellor's Office.

This bill encourages the Chancellor, in selecting CCDs for participation in the pilot program, to ensure that there is equitable access to the pilot program between the northern, central, and southern regions of the state.

This bill requires implementation of the pilot program by community colleges selected for the program to commence by July 1, 2028. It also requires the Chancellor's Office, by January 1, 2032, to submit a report to the Legislature evaluating the effectiveness of the pilot program at campuses maintained by CCDs participating in the pilot program. The report shall include but not be limited to the number of participants who completed the pilot program; a comprehensive list of the certificates or degrees awarded to participants who completed the pilot program; and outcomes and job placement rates of participants who completed the pilot program. Requires the specified data to be disaggregated by student demographics.

The program shall remain in effect until January 1, 2033, and be repealed on that date.

Staff Comments: This bill seeks to create a pilot program to help workers who have been displaced by AI, specifically in the creative and entertainment industries. The proposed pilot program would be developed in partnership with labor unions representing these workers and industry representatives. One of the goals of the pilot is to establish a coordinated, outcomes-driven model that CCCs and workforce systems can replicate across sectors facing AI-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."