

CONCURRENCE IN SENATE AMENDMENTS

AB 2504 (Bauer-Kahan)

As Amended June 30, 2026

Majority vote

SUMMARY

Requires the California Community Colleges Chancellor's Office (CCCCO), upon appropriation by the Legislature, to establish the Future of Creative Industries Pilot Program with the goal of supporting 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 (CCC) system.

Senate Amendments

- 1) Specifies that the pilot program will include 10 community colleges, as opposed to community college districts.
- 2) Specifies that CCCCCO will implement the Future of Creative Industries Pilot Program on or before July 1, 2028.

COMMENTS

Employment impacts of AI. The World Economic Forum released a white paper, *Four Futures for Jobs in the New Economy: AI and Talent in 2030*, in January of 2026. The white paper noted that AI has moved from experimentation to workflow integration, with the share of businesses using AI in at least one function increasing from 55% in 2022 to 88% in the latest estimates. According to the paper, "the adoption of these technologies promises systemic gains in productivity, but also raises critical questions about economic inclusion, values, trust and resilience."

According to the World Economic Forum's annual survey of over 10,000 executives globally, about 54% of respondents expect AI to displace existing jobs, and 24% said AI will drive the creation of new jobs. More than four in 10 executives surveyed expect AI to increase profit margins across businesses, and only slightly less said AI will increase accessibility (37%) and affordability (30%) of goods and services. Notably, only 12% expect AI to have a positive impact on wages, while 24% predict an increase in industry concentration.

The white paper posits four scenarios for the future of jobs in 2030:

- 1) *Scenario 1: Supercharged Progress* - AI advances rapidly, transforming industries, boosting productivity, and enabling widespread innovation. Many traditional jobs disappear, but new roles emerge quickly as people manage and collaborate with intelligent systems. However, governance, ethics, and social protections struggle to keep pace with the speed of change.
- 2) *Scenario 2: The Age of Displacement* - AI development outstrips the workforce's ability to adapt, leading to rapid automation and widespread job loss. While productivity rises, social systems lag behind, causing unemployment, declining consumer confidence, and instability. Economies advance technologically but become increasingly fractured and unequal.

- 3) *Scenario 3: Co-Pilot Economy* - AI progresses steadily, with a focus on augmenting human work rather than replacing it. Human–AI collaboration becomes the norm, driving gradual but meaningful transformation across industries. Early investments in skills, infrastructure, and governance allow some economies to adapt and benefit more effectively.
- 4) *Scenario 4: Stalled Progress* - AI advances but is limited by a lack of workforce skills, resulting in uneven productivity gains. Benefits concentrate in regions and firms with expertise, while others fall behind, deepening inequality. Automation displaces routine jobs, demand rises for skilled trades, and overall economic growth remains constrained.

Community college work in AI: In September 2023, the Chancellor of the CCC released *Vision 2030: A Roadmap for California Community Colleges*, which included a description on the importance of engaging with AI in Strategic Direction 3, *The Future of Learning*. The *Vision 2030* roadmap focuses on integrating AI and Generative AI to elevate teaching and learning. Key areas of investment include professional development, data infrastructure, evaluation and partnership capacity and demonstration projects.

In July of 2024, the Chancellor of the CCC released a report to the CCC Board of Governors titled *Generative AI and the Future of Teaching and Learning*. The report includes a set of recommended actions. Chancellor Christian asserts that CCC must double down in "deepening human qualities of cooperation, ethical decision making, and emotional intelligence in a world of rapidly developing machine learning."

The report specifically calls for a humans-centered approach, which includes:

- 1) Students, faculty, staff and administrators should be able to opt out, where appropriate, and have access to a person who can quickly consider and remedy problems they encounter. Measures should also be taken to ensure that there are humans in the loop when capabilities are designed, tested and used to achieve successful outcomes.
- 2) Students, faculty, staff, and administrators should have equitable access to tools, training and solutions that minimize bias and improve outcomes.
- 3) Measures should be taken to empower students, faculty, staff, and administrators to have agency over how data about them is collected and used and set parameters that shield them from abusive data practices via built-in protections.
- 4) Students, faculty, staff, and administrators should not face discrimination by algorithms and systems should be designed and used in an equitable way.
- 5) Students, faculty, staff, and administrators should know that an automated system is being used and understand how and why it contributes to outcomes that impact them.
- 6) Students, faculty, staff, and administrators should be protected from unsafe or ineffective systems.

The CCC has established the Digital Center for Innovation, Transformation, and Equity to represent a strategic approach to supporting the CCC's Vision 2030, including leading in innovation, harnessing the power of generative AI, public and private technology partnerships,

and transforming the CCC's ability to serve students as they move into an AI- powered workforce.

According to the Author

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."

The author continues, noting that "a January 2024 survey by CVL Economics projected that 203,800 entertainment jobs would likely be disrupted in the United States by 2026, including 62,000 in California, with sound engineers, voice actors, concept artists, and employees in entry-level positions at the greatest risk of displacement. As AI continues to reshape the landscape, the California Legislature has an opportunity to support the creatives who built their careers in these fields."

Arguments in Support

William Morris Endeavor (WME) wrote in support, noting that "WME is a global talent agency that brings over 125 years of experience representing clients spanning film, television, music, sports, theater, books, comedy, fashion, brands, digital, and the full entertainment ecosystem...the history of the media business is a history of realignment that goes back to the transition from radio to TV, and silent films to 'talkies.' Artificial intelligence is reshaping the U.S. economy at a pace faster than previous technological transitions and, while AI promises productivity, growth, and global competitiveness, it also presents serious workforce disruption risks across all sectors, including the creative arts."

Additionally, WME wrote that "California's creative economy is both a defining feature of the state and a vital economic engine. Currently, California's creative economy employs more than 760,000 workers with an average salary of \$191,000 per year, accounting for roughly 5% of the state's workforce. Yet a January 2024 CVL Economics study projected that 62,000 jobs in California could be disruptive by GenAI by 2026. The scale of what is at stake is not abstract; these concerns were a central issue in the 2023 Hollywood strikes and are at the core of the 2026 labor negotiations... this legislative proposal will establish an exciting and forward-thinking workforce training program that supports the entertainment industry's transition to the AI economy and ensures workers in California's entertainment industry are prepared to meet the demands of employers as new technology transforms the entertainment industry and the jobs that fuel it."

Arguments in Opposition

None on file.

FISCAL COMMENTS

According to the Senate Committee on Appropriations, 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.

VOTES:**ASM HIGHER EDUCATION: 9-0-1**

YES: Fong, DeMaio, Boerner, Jeff Gonzalez, Jackson, Muratsuchi, Patel, Sharp-Collins, Tangipa

ABS, ABST OR NV: Celeste Rodriguez

ASM PRIVACY AND CONSUMER PROTECTION: 15-0-0

YES: Bauer-Kahan, Macedo, Bryan, DeMaio, Hoover, Irwin, Lowenthal, McKinnor, Ortega, Patterson, Pellerin, Petrie-Norris, Ward, Wicks, Wilson

ASM APPROPRIATIONS: 15-0-0

YES: Wicks, Hoover, Aguiar-Curry, Calderon, Caloza, Dixon, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache, Ta, Tangipa

ASSEMBLY FLOOR: 78-0-2

YES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Johnson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

ABS, ABST OR NV: Muratsuchi, Celeste Rodriguez

SENATE FLOOR: 39-0-1

YES: Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Grove, Hurtado, Jones, Laird, Limón, McGuire, McNeerney, Menjivar, Niello, Ochoa Bogh, Padilla, Pérez, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener

ABS, ABST OR NV: Reyes

UPDATED

VERSION: June 30, 2026

CONSULTANT: Kevin J. Powers / HIGHER ED. / (916) 319-3960

FN: 0003933