Date of Hearing: April 8, 2026

ASSEMBLY COMMITTEE ON LABOR AND EMPLOYMENT
Liz Ortega, Chair
AB 2575 (Ortega) – As Amended March 18, 2026

SUBJECT: Health care services: artificial intelligence

SUMMARY: Requires specified health care entities that use or deploy an artificial intelligence (AI) or a clinical decision support system ("covered tool") for patient care to disclose required information, to any licensed health care professional or other person using a covered tool or viewing outputs from a covered tool. Additionally, prohibits employers from retaliating or discriminating against a direct patient care worker because of their override, or request to override, the output of technology if, in the judgment of the worker acting in their scope of practice, such an override is appropriate for the patient or necessary to comply with the law. Specifically, **this bill**:

Definitions

1) Defines a "covered tool" to mean an AI or a clinical decision support system.

2) Defines "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.

3) Defines "clinical decision support system" to mean a computerized system or tool that does both of the following:

   a) Supports decisionmaking related to patient care based on algorithms, or models, based in clinical practice guidelines or that derive relationships from training data, including algorithms or models that are developed using unsupervised learning models.

   b) Produces an output that results in a prediction, classification, recommendation, evaluation, or analysis.

4) Defines "technology" to mean scientific hardware or software, including AI and clinical decision support systems, used to achieve a medical or nursing care objective at a health facility.

Employer disclosure requirements

1) Requires a health facility, clinic, physician's office, or office of a group practice that uses or deploys a covered tool for patient care to disclose required information, to any licensed health care professional or other person using a covered tool or viewing outputs from a covered tool. Required information includes all of the following:

   a) Details on the covered tool, including developer, funding source, any foundation model used, and description of output.

b) Intended use of the covered tool, including intended patient population, intended users, and intended decisionmaking role.

c) Cautioned out-of-scope use of the covered tool, including known risks and limitations.

d) List of the inputs into the covered tool.

e) Description of how the covered tool generates outputs.

f) Development details of the covered tool, including, but not limited to, all of the following:

   i) Description of the training set or clinical research underlying recommendations, including demographic representativeness and known biases based on protected characteristics.

   ii) Description of the relevance of training data to deployed setting.

   iii) Process used to ensure fairness in development of the intervention.

g) Description of the validation process.

h) Qualitative measures of performance.

i) Description of ongoing maintenance of intervention implementation and use.

j) Description of updates and continued validation or fairness assessment process.

k) Notice that health care entities and developers are liable for harm that results from the use of artificial intelligence in patient care.

l) Notice that a worker providing direct patient care is permitted to override the output of a covered tool if, in the judgment of the worker acting in their scope of practice, such an override is appropriate for the patient, or as necessary to comply with applicable law, including civil rights law.

2) Requires the disclosure to be provided at the time the licensed health care professional or other person uses the covered tool or views any recommendation or output generated by the covered tool.

3) Requires the disclosure to be provided with ample time for the licensed health care professional or other person to review and make reasoned decisions based on their professional judgment on whether and how to use the covered tool.

4) Requires the disclosure to be provided in plain language to, and linked in the health record of, any patient whose care was affected by the output of the covered tool or whose health information was used as an input to the covered tool.

5) Provides for enforcement of a violation of the disclosure requirements as follows:

   a) A licensed health facility is subject to the enforcement mechanisms described in Article 4 (commencing with Section 1290) of Chapter 2 of the Health and Safety Code.

   b) A licensed clinic is subject to the enforcement mechanisms described in Article 4 (commencing with Section 1235) of Chapter 1 of the Health and Safety Code.

   c) A physician is subject to the jurisdiction of the Medical Board of California or the Osteopathic Medical Board of California, as appropriate.

6) States that a violation of the disclosure requirements constitutes "unfair competition" as defined in Section 17200 of the Business and Professions Code and is punishable as prescribed in Chapter 5 (commencing with Section 17200) of Part 2 of Division 7 of the Business and Professions Code.

Licensed health care professional's right to override

1) Prohibits an employer from using or deploying technology to replace or limit a worker's use of professional judgment in patient care.

2) States that an employer shall not retaliate or discriminate against a worker providing direct patient care based on both of the following:

   a) The worker's override of, or request to override, the output of technology if, in the judgment of the worker acting in their scope of practice, such an override is appropriate for the patient, or as necessary to comply with applicable law, including civil rights law.

   b) The worker's compliance with the output of technology if the technology was provided or approved by the worker's employer for patient care.

3) Authorizes a worker who is subject to retaliation or discrimination in violation of 1) or 2) above to file a complaint with the Labor Commissioner (LC).

Employer defenses to an action alleging harm caused by AI deployment

1) Provides that in an action against a defendant who developed, modified, selected, or deployed AI or a clinical decision support system that is alleged to have caused harm to the plaintiff, it shall not be a defense, and the defendant may not assert, that the failure of a licensed health care professional or other health care worker to override an output of the AI or clinical decision support system is a superseding cause severing the defendant's liability for the alleged harm.

2) Provides that 1) above does not limit or preclude a defendant from presenting either of the following:

   a) Any other affirmative defense, including evidence relevant to causation or foreseeability.

b) Other evidence relevant to the comparative fault of any other person or entity.

EXISTING LAW:

1) Establishes the Division of Labor Standards Enforcement (DLSE), under the direction of the LC, within the Department of Industrial Relations (DIR) and sets forth its powers and duties regarding the enforcement of labor laws. Labor Code § 79 et seq.

2) Authorizes the LC to investigate employee complaints. The LC may provide for a hearing in any action to recover wages, penalties, and other demands for compensation, including liquidated damages, as specified, properly before the DLSE or the LC, including orders of the Industrial Welfare Commission, and shall determine all matters arising under their jurisdiction. Labor Code §98(a).

3) Establishes the State Department of Public Health (DPH) to be vested with all the duties, powers, purposes, functions, and responsibilities as they relate to public health, licensing and certification of health facilities. Health and Safety Code §131050 et seq.

4) Establishes within the Department of Consumer Affairs a Medical Board of California that consists of 15 members, 7 of whom shall be public members. B&P Code §2001 et seq.

5) Requires a health facility, clinic, physician’s office, or office of a group practice that uses generative AI to generate written or verbal patient communications pertaining to patient clinical information to ensure that those communications include both of the following:

   a) A disclaimer that indicates to the patient that the communication was generated by generative artificial intelligence.

   b) Clear instructions describing how a patient may contact a human health care provider, employee of the health facility, clinic, physician’s office, or office of a group provider, or other appropriate person. Health and Safety Code §1339.75(a).

6) Defines “clinic” to mean an organized outpatient health facility that provides direct medical, surgical, dental, optometric, or podiatric advice, services, or treatment to patients who remain less than 24 hours, and that may also provide diagnostic or therapeutic services to patients in the home as an incident to care provided at the clinic facility. A place, establishment, or institution that solely provides advice, counseling, information, or referrals on the maintenance of health or on the means and measures to prevent or avoid sickness, disease, or injury, where that advice, counseling, information, or referral does not constitute the practice of medicine, surgery, dentistry, optometry, or podiatry, shall not be deemed a clinic for purposes of this chapter. Health and Safety Code §1200(a).

7) Defines “health facility” to mean a facility, place, or building that is organized, maintained, and operated for the diagnosis, care, prevention, and treatment of human illness, physical or mental, including convalescence and rehabilitation and including care during and after pregnancy, or for any one or more of these purposes, for one or more persons, to which the persons are admitted for a 24-hour stay or longer. Health and Safety Code §1250.

8) Defines "office of a group practice" to mean an office or offices in which two or more physicians are legally organized as a partnership, professional corporation, or not-for-profit corporation licensed, as specified. Health and Safety Code §1339.75 (c)(6).

9) Defines "patient clinical information" to mean information relating to the health status of a patient. This information does not include administrative matters, including, but not limited to, appointment scheduling, billing, or other clerical or business matters. Health and Safety Code §1339.75 (c)(7).

10) Defines "physician's office" to mean an office of a physician in solo practice. Health and Safety Code §1339.75(c)(8).

FISCAL EFFECT: Unknown.

COMMENTS: According to background materials provided by the bill author, the use of AI tools in health care can produce erroneous results, even fatal ones. The author provides a number of examples of AI-related errors, including one instance where "a nurse was forced to take a blood sample after receiving an erroneous alert for sepsis, adding to a patient's bill. In another instance, a nurse on a call-in advice line followed a protocol suggested by an algorithm and diagnosed the patient with a benign diagnosis, when the patient actually had pneumonia, acute respiratory failure, and renal failure and died several days later." The bill's provision permitting patient care workers to override the output of an AI tool if they think the override is appropriate for the patient is a critical step in addressing this.

The European Union, in its AI Act from 2024, acknowledges the risks associated with the deployment of AI tools in health care. The Act similarly recognizes the role that health care providers can play in minimizing these risks. Article 14 of the Act, "Human Oversight," requires AI systems in health care to be designed so that a human can oversee them and must understand their capabilities, limits, monitor their anomalies, and to override their output.[1]

According to the author, "Healthcare workers are facing new challenges as AI is integrated into their workplaces. They are pressured by employers to defer to AI systems that may be opaque, erroneous, or systemically biased. They face an added risk of professional and legal blame when they follow algorithmic recommendations that fail. AB 2575 preserves healthcare workers' ability to follow their professional judgment by prohibiting employer retaliation when a worker overrides or follows a recommendation. AB 2575 requires transparency for AI tools so that patients and providers understand how they work and what the risks are. Overall, AB 2575 requires that AI tools are used to support clinical judgment—not replace it, ensuring that human expertise and patient safety remain the focus of California's healthcare system."

The author continues, "AI may exhibit systemic biases due to poor-quality training. By allowing human practitioners to contextualize the social determinants of health and other factors that an AI tool might overlook, this would establish a guardrail against automated discrimination. AB 2575 would also require that the AI tool describes the demographic representativeness and known biases of the training set or clinical research underlying its recommendations. It would also require a description of updates and continued fairness assessment processes. By providing this information to a healthcare worker, the worker can appropriately assess whether this tool is

---

[1] The AI Act is accessible at: Regulation - EU - 2024/1689 - EN - EUR-Lex.

right for the patient, given his or her background, and reduce any of the negative consequences of using a biased AI tool."

Committee Comments

The author may wish to consider adding a definition of employer to proposed Labor Code Section 2820 on "Health Information Technology: Worker Rights." It is unclear in the current version of the bill which employers are covered by this section.

Arguments in Support

The California Nurses Association/National Nurses United (CNA), sponsor of the bill, states, "California currently lacks clear guardrails governing the use of artificial intelligence in health care settings. Hospitals and clinics now use AI tools in electronic health records, clinical decision-support systems, remote monitoring platforms, staffing management software, and administrative workflows. These systems generate patient acuity scores, treatment recommendations, discharge planning prompts, insurance determinations, and nurse workload assignments. As hospitals and other health care entities expand their adoption of these tools, they increasingly shape both clinical decision-making and working conditions. Yet state law provides few standards to ensure transparency, protect professional judgment, or establish accountability when these technologies contribute to harmful outcomes.

Evidence increasingly shows that many AI tools used in health care raise serious safety and accuracy concerns. Researchers have documented that some health care algorithms produce inaccurate or misleading recommendations, perform differently in real-world clinical environments than during testing, reflect biases embedded in their training data, or inaccurately assess patient acuity. Studies have documented cases in which widely used health care algorithms produced racially discriminatory care recommendations that reduced access to services for Black patients. Other generative AI systems have demonstrated substantial rates of charting errors and clinical safety mistakes when responding to medical questions. Nurses note that AI-driven technology is being used to justify understaffing and speed up workflows, putting patients and nurses at risk of harm. These findings underscore that AI tools cannot substitute for clinicians' real-time assessments and professional judgment in patient care."

Arguments in Opposition

A coalition of employer and industry organizations, including the California Hospital Association, are opposed, and state, "AI tools are just that — tools. They are the latest in a series of innovative resources that trained and experienced health care providers employ to help their patients. At no point during the clinical care process are the judgment and control that only a clinician can provide excluded. Instead, AI is used to assist with patient care, reduce clinician burnout, expand early warning systems, and free up resources for patient care. Health care providers do not deploy AI or related technologies to make care decisions. Clinician accountability and expertise are preserved, and California's invaluable health care professionals retain full oversight and responsibility.

In addition, before being deployed, AI tools go through an extensive review process that includes health care workers who will be directly using them. No AI system is activated for use by

medical professionals or used in patient care without a thorough assessment and ongoing monitoring for effectiveness."

Related and Prior Legislation

SB 903 (Padilla) of 2026 would prohibit a licensed professional from engaging in the use of AI to assist in providing supplementary support in therapy or psychotherapy where the client's therapeutic session is recorded or transcribed unless the patient or their authorized representative is informed that AI will be used and provides consent, as specified. This bill is pending a hearing in the Senate Business, Professions, and Economic Development Committee.

AB 489 (Bonta) Statutes of 2025, Chapter 615 makes provisions of law that prohibit the use of specified terms, letters, or phrases to falsely indicate or imply possession of a license or certificate to practice a health care profession, as defined, enforceable against an entity who develops or deploys AI or generative AI technology that uses one or more of those terms, letters, or phrases in its advertising or functionality.

SB 503 (Weber Pierson) of 2025 would require developers and deployers of AI systems to make reasonable efforts to identify AI systems used to support clinical decisionmaking or health care resource allocation that are known or have a reasonably foreseeable risk for biased impacts in the system's outputs resulting from use of the system in health programs or activities. The bill would require developers and deployers to make reasonable efforts to mitigate the risk for biased impacts in the system's outputs resulting from use of the system in health programs or activities The bill is inactive on the Assembly Floor.

AB 3030 (Calderon) Statutes of 2024, Chapter 848 requires a health facility, clinic, physician's office, or office of a group practice that uses generative AI to generate written or verbal patient communications pertaining to patient clinical information, as defined, to ensure that those communications include both (1) a disclaimer that indicates to the patient that a communication was generated by generative AI, as specified, and (2) clear instructions describing how a patient may contact a human health care provider, employee, or other appropriate person.

AB 858 (Jones-Sawyer) of 2022 would authorize a worker who provides direct patient care at a general acute care hospital to override health information technology and clinical practice guidelines if, in their professional judgment and in accordance with their scope of practice, which includes receiving the approval of the patient's physician or doctor of podiatric medicine, it is in the best interest of the patient to do so. This bill would prohibit a general acute care hospital employer from retaliating or otherwise discriminating against a worker providing direct patient care who requests to override health information technology and clinical practice guidelines or discusses these issues with other employees or supervisors. The bill was vetoed by Governor Newsom.

REGISTERED SUPPORT / OPPOSITION:

Support

California Nurses Association (Sponsor)
American Federation of State, County and Municipal Employees, AFL-CIO

California Alliance for Retired Americans
California Democratic Party Rural Caucus
California Faculty Association
California Federation of Labor Unions, AFL-CIO
California Federation of Teachers – a Union of Educators & Classified Professionals, AFT, AFL-CIO
California Pan - Ethnic Health Network
California School Employees Association
Consumer Watchdog
Engineers and Scientists of California, IFPTE Local 20, AFL-CIO
Health Access California
TechEquity Action
Western Center on Law & Poverty, INC.

Opposition

Advanced Medical Technology Association
Adventist Health
America's Physician Groups
American Telemedicine Association Action
Association of California Life & Health Insurance Company
Association of Dental Support Organizations
Biocom
Biocom California
California Association of Health Facilities
California Association of Health Plans
California Chamber of Commerce
California Hospital Association
California Life Sciences
California Medical Association
California Primary Care Association Advocates
California Radiological Society
California Society of Pathologists
Civil Justice Association of California
Connected Health Initiative
Kaiser Permanente
Ochin
Technet

Analysis Prepared by: Megan Lane / L. & E. /