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**SENATE COMMITTEE ON LABOR, PUBLIC EMPLOYMENT AND RETIREMENT**  
**Senator Lola Smallwood-Cuevas, Chair**  
**2025 - 2026 Regular**

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**Bill No:** AB 2575 **Hearing Date:** June 24, 2026  
**Author:** Ortega  
**Version:** June 18, 2026  
**Urgency:** No **Fiscal:** Yes  
**Consultant:** Alma Perez-Schwab

**SUBJECT:** Health care services: artificial intelligence

**KEY ISSUES**

This bill 1) requires a health facility and other specified health providers that use or deploy a *clinical decision support system* for patient care to make available, upon the request of specified entities, an inventory of all clinical decision support systems in use or deployed for patient care; 2) requires the inventory of clinical decision support systems in use by these facilities to include specified information including details on the intended use and role in supporting clinical decisionmaking; 3) requires the facilities and specified providers to notify a licensed health care professional, or other person whose duties include using a clinical decision support system, upon hire and annually, of their right to request the inventory of systems used; 4) prohibits an employer from retaliating or discriminating against a worker based solely on the worker's override of, or reliance on, the output of a clinical decision support system; 5) grants a worker who is subject to retaliation or discrimination in violation of these provisions, the right to file a complaint with the Labor Commissioner; and 6) prohibits the failure of a health care worker to override an output of a clinical decision support system from being asserted as a superseding cause severing the defendant's liability for the alleged harm in a civil action against a defendant who developed or deployed a clinical decision support system that is alleged to have caused harm.

**ANALYSIS**

**Existing law:**

- 1) Establishes the California Department of Public Health (CDPH) which licenses and regulates health facilities and clinics. (Health & Safety Code §1200 et seq. and §1250, et seq.)
- 2) Defines "clinic" as 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. (Health & Safety Code §1200)
- 3) 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, including, but not limited to, hospitals, nursing facilities, and hospice facilities. (Health & Safety Code §1250)

- 4) Requires a health facility, clinic, physician's office, or office of a group practice that uses generative artificial intelligence (GenAI) to generate written or verbal patient communications pertaining to patient clinical information to ensure that those communications include a disclaimer, as specified, that indicates to the patient that the communication was generated by GenAI, and clear instructions describing how a patient may contact a human health care provider, employee, or other appropriate person. Exempts communications generated by GenAI from this requirement if it is read and reviewed by a human licensed or certified health care provider. (Health & Safety Code §1339.75)
- 5) Defines the following terms for purposes of 4) above:
  - a) "Artificial intelligence" means 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; and,
  - b) "Generative artificial intelligence" means AI that can generate derived synthetic content, including images, videos, audio, text, and other digital content.  
(Health & Safety Code §1339.75)
- 6) Defines "automated decision system" to mean a computational process derived from machine learning, statistical modeling, data analytics, or artificial intelligence that issues simplified output, including a score, classification, or recommendation, that is used to assist or replace human discretionary decisionmaking and materially impacts natural persons. "Automated decision system" does not include a spam email filter, firewall, antivirus software, identity and access management tools, calculator, database, dataset, or other compilation of data.  
(Government Code §11546.45.5)
- 7) Establishes the California Privacy Protection Agency (CPPA) to implement and enforce the California Privacy Rights Act of 2020, and provides the CPPA with the full administrative power, authority and jurisdiction to implement and enforce the California Consumer Privacy Act of 2018, including responsibilities to update existing regulations and adopt new regulations. (Civil Code §1798.100, et seq.)
- 8) Requires the Department of Technology to conduct, in coordination with other interagency bodies as it deems appropriate, a comprehensive inventory of all high-risk automated decision systems that have been proposed for use, development, or procurement by, or are being used, developed, or procured by, and state agency. Defines "high-risk automated decision system" as an automated decision system that is used to assist or replace human discretionary decisions that have a legal or similarly significant effect, including decisions that materially impact access to, or approval for, housing or accommodations, education, employment, credit, health care, and criminal justice. (Government Code §11546.45.5)
- 9) Authorizes the CDPH to provide consulting services to any health facility to assist in the identification or correction of deficiencies or the upgrading of the quality of care provided by the health facility. If deficiencies are found, requires the health facility to agree with the CDPH on a correction plan and authorizes administrative penalties against a health facility for violations, as specified. (Health & Safety Code §1280 and §1280.3)
- 10) Prohibits an employer from discharging, demoting, or suspending, or threatening to discharge, demote, or suspend, or in any manner discriminating against any employee who takes any of the following actions:

- a) Makes any good faith oral or written complaint about the violation of any licensing or other laws by the employer to the State Department of Social Services or other agency having statutory responsibility for enforcement of the law or to the employer or representative of the employer;
- b) Institutes, or causes to be instituted, any proceeding against the employer relating to the violation of any licensing or other laws;
- c) Appears as a witness or testifies in a proceeding relating to the violation of any licensing or other laws; or
- d) Refuses to perform work in violation of a licensing law or regulation after notifying the employer of the violation.  
(Health & Safety Code §1596.881)

11) Specifies that a claim alleging a violation pursuant to (10) above must be presented to the employer within 45 days of the alleged violation and presented to the Division of Labor Standards Enforcement (DLSE) within 90 days of the alleged violation. Upon receipt of the complaint, requires the DLSE to investigate, as it deems appropriate, and if violation(s) are found, requires the DLSE to bring an action in any appropriate court against the employer.  
(Health & Safety Code §1596.882)

12) Establishes within the Department of Industrial Relations (DIR), various entities including the Division of Labor Standards Enforcement (DLSE) under the direction of the Labor Commissioner (LC), and empowers the LC with ensuring a just day's pay in every workplace and promotes economic justice through robust enforcement of labor laws. (Labor Code §79-107)

**This bill:**

- 1) Defines, among others, the following terms:
  - a. "Artificial intelligence" and "generative artificial intelligence" as having the same meaning as currently defined in existing Health & Safety Code Section 1339.75.
  - b. "Automated decision system" as having the same meaning as currently defined in existing Government Code Section 11546.45.5.
  - c. "Clinical decision support system" to mean an automated decision system or generative artificial intelligence system whose outputs produce a prediction, classification, recommendation, evaluation, or analysis that is used to inform clinical decisionmaking with respect to the provision, timing, or course of patient care.
- 2) On or before July 1, 2027, requires a health facility, clinic, physician's office, or office of a group practice that uses or deploys a *clinical decision support system* for patient care to make available, upon request from a licensed health care professional or other person using a clinical decision support system or viewing outputs from a clinical decision support system, an inventory of all clinical decision support systems currently in use or deployed for patient care and requires the list to be updated at least annually.
- 3) Requires the health facilities specified above that use or deploy a clinical decision support system for patient care to make available, similarly upon request, information about the clinical support system including all of the following:

- a. A summary of the clinical decision support system, including developer and description of the output produced by the system.
  - b. Intended use of the clinical decision support system, including intended patient population, intended users, and intended role in supporting clinical decisionmaking.
  - c. Cautioned out-of-scope use of the clinical decision support system, including known risks and limitations.
  - d. Summary of how the clinical decision support system generates outputs.
  - e. Summary of the training set or clinical research underlying recommendations, including demographic representativeness and known biases based on protected characteristics.
  - f. Summary of the validation process.
  - g. Summary of qualitative measures of performance.
  - h. A link to the Certified Health IT Product List produced by the Office of the National Coordinator for Health Information Technology at the United States Department of Health and Human Services.
- 4) Requires the specified health facilities that use or deploy a clinical decision support system for patient care to notify a licensed health care professional or other person whose duties include using or viewing outputs from a clinical decision support system, upon hire and annually, of their right to request the inventory of all clinical decision support systems currently in use or deployed for patient care.
  - 5) Exempts from these notification requirements the use of a clinical decision support system for documentation, communication, or other administrative tasks that do not involve the application of professional judgment by a licensed health care professional, including, but not limited to, automated messages to inform patients of their health records.
  - 6) Specifies that a violation of these provisions by a licensed health facility or licensed clinic are subject to the enforcement mechanisms of existing law, as specified.
  - 7) Specifies that a violation of these provisions by a physician is subject to the jurisdiction of the Medical Board of California or the Osteopathic Medical Board of California, as appropriate.

*Health Information Technology Worker Rights:*

- 8) Provides that it is the public policy of the State of California that a worker providing direct patient care be free to use their professional judgment to make assessments and decisions within their scope of practice as appropriate for their patients.
- 9) Prohibits an employer from retaliating or discriminating against a worker providing direct patient care using their professional judgment to make an assessment or decision within their appropriate scope of practice based solely on the worker's override of, or reliance on, the output of a clinical decision support system.
  - a. Specifies that this provision does not affect a worker's duty to meet the applicable standard of care, act within their scope of practice, as specified, or exercise independent professional judgment in providing direct patient care.

- 10) Grants a worker who is subject to retaliation or discrimination in violation of these provisions the right to file a complaint with the Labor Commissioner against an employer who retaliates or discriminates against the worker.
- 11) Prohibits using as a defense, in an action against a defendant who developed, modified, selected, or deployed a clinical decision support system that is alleged to have caused harm to the plaintiff, and prohibits a defendant from asserting, that the failure of a licensed health care professional or other health care worker to override an output of a clinical decision support system is a superseding cause severing the defendant's liability for the alleged harm. Specifies that this provision does not limit or preclude a defendant from presenting any other affirmative defense, including evidence relevant to causation or foreseeability, or presenting other evidence relevant to the comparative fault of any other person or entity.

## COMMENTS

### 1. Background:

#### Artificial Intelligence and Generative Artificial Intelligence

Until recently, advancements in technology often automated physical tasks, such as those performed on factory floors or self-checkouts, but AI functions more like human brainpower. AI can use algorithms to accomplish tasks faster and sometimes at a lower cost than human workers can. Generative AI is a subfield of AI that creates content in response to inputs or prompts learned from underlying patterns and structures of data. Outputs of GenAI can include content like text, images, audio, software code, or even predictions, recommendations, or decisions.

As this technology develops, so do fears of worker displacement in more areas and industries. According to a recent CNBC article, “recent estimates from Goldman Sachs suggest that 6% to 7% of U.S. workers could lose their jobs because of AI adoption. The Stanford Digital Economy Lab, using ADP employment data, found that entry-level hiring in “AI exposed jobs” has dropped 13% since large language models started proliferating. The report said software development, customer service and clerical work are the types of jobs most vulnerable to AI today.”<sup>1</sup>

Beyond the fears of worker displacement, GenAI tools like ChatGPT, Gemini or Claude are being used to complement the duties of employees in astonishing numbers. A 2025 report assessed the scale of global daily active usage for GenAI tools and found that daily active user base for these tools likely falls within the range of 115 million to 180 million individuals.<sup>2</sup> The wide use of these systems also means that they are training on extremely large datasets using nearly all information available on the internet. You can find GenAI tools used in a multitude of industries including software development, marketing and media, finance, cybersecurity, and healthcare and pharmaceuticals, among many others.

#### GenAI Tools Used in Healthcare:

As noted by the Senate Health Committee analysis of this bill:

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<sup>1</sup> Samantha Subin, “AI is already taking white-collar jobs. Economists warn there’s ‘much more in the tank,’” October 23, 2025, CNBC. <https://www.cnbc.com/2025/10/22/ai-taking-white-collar-jobs-economists-warn-much-more-in-the-tank.html>

<sup>2</sup> Andres, Guadamuz, “How many people are using generative AI on a daily basis? A Gemini report,” (Apr 14, 2025), <https://www.technollama.co.uk/a-gemini-report-how-many-people-are-using-generative-ai-on-a-daily-basis-a-gemini-report>.

“According to a July 25, 2023 viewpoint article in the *Journal of the American Medical Association*, “Generative AI in Health Care and Liability Risks for Physicians and Safety Concerns for Patients,” generative AI is being heralded in the medical field for its potential to ease the long-lamented burden of medical documentation by generating visit notes, treatment codes, and medical summaries. This article stated that to date, no court in the U.S. has considered the question of liability for medical injuries caused by relying on AI-generated information. The article warned that to minimize risks, even medical professionals must exercise caution when relying on AI-generated information, due to the “black-box” nature of how these systems generate output, because it may be impossible for the physician to independently evaluate the accuracy of the AI’s output. An article in *Implement Science*, published in March 2024, stated that the utility and impact of generative AI in healthcare remain poorly understood, with concerns about ethical and legal implications, integration into healthcare service delivery, and workforce utilization.

The American Medical Association (AMA) published “Principles for Augmented Intelligence Development, Deployment, and Use,” which was approved by the AMA Board of Trustees on November 14, 2023. According to this AMA document, as the number of AI-enabled health care tools and systems continue to grow, these technologies must be designed, developed, and deployed in a manner that is ethical, equitable, responsible, and transparent. The AMA notes that while the U.S. Food and Drug Administration (FDA) regulates AI-enabled medical devices, many types of AI-enabled technologies fall outside the scope of FDA oversight, including AI that may have clinical applications, such as some clinical decision support functions. The AMA report specifically looked at transparency in use of AI-enabled systems, and stated that it is essential that use of AI in health care be transparent to both physicians and patients, and disclosure should contribute to physician and patient knowledge and not create unnecessary administrative burden. The AMA report states that when AI is utilized in health care decision-making, that use should be disclosed and documented in order to limit risks to, and mitigate inequities for, both physicians and patients. The AMA noted that while transparency does not necessarily ensure AI-enabled tools are accurate, secure, or fair, it is difficult to establish trust if certain characteristics are hidden. According to the AMA, when AI is used in a manner which directly impacts patient care, access to care, or medical decision-making, that use of AI should be disclosed and documented to both physicians and patients. The opportunity for a patient to request additional review from a licensed clinician should be made available upon request. The AMA policy also states that AI tools or systems cannot augment, create, or otherwise generate records, communications, or other content on behalf of a physician without that physician’s consent and final review.”

*Governor Newsom Executive Orders (EOs) on AI and Generative AI (GenAI)*

In September 2023, Governor Newsom issued Executive Order N-12-23 to deploy GenAI ethically and responsibly throughout state government, protect and prepare for potential harms, and remain the world’s AI leader.<sup>3</sup> Among other things, the EO directed state agencies and departments to develop a report examining the most significant and beneficial uses of AI in the state, including the potential harms and risks for communities, government, and workers.

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<sup>3</sup> Governor Gavin Newsom, Executive Order N-12-23, <https://www.gov.ca.gov/2023/09/06/governor-newsom-signs-executive-order-to-prepare-california-for-the-progress-of-artificial-intelligence/>.

On March 30, 2026, Governor Newsom issued Executive Order N-5-26 directing, among other things, the Department of General Services and the Department of Technology to submit recommendations to the Governor for new AI vendor certification standards requiring companies interested in doing business with California to certify that their AI systems include necessary safeguards against illegal content, harmful bias, and violations of civil rights and liberties.<sup>4</sup>

Most recently, on May 21, 2026, Governor Newsom issued Executive Order N-6-26 directing state agencies to build a framework for responding to potential workforce disruption and ensuring workers are not left behind as AI adoption accelerates.<sup>5</sup> Among other things, this EO directs various state agencies to:

- *Track and understand the impact of AI on the workforce, filling the gaps of knowledge and providing clear and concrete data with:* 1) a new report on recommendations, best practices, and early economic warning signals of potential labor disruptions, drafted in consultation with labor, industry, and academic experts; 2) a new dashboard showing the impact of AI across sectors; 3) recommendations on revisions and updates to the California Worker Adjustment and Retraining Notification (WARN) Act, to ensure it can be used to provide early warning data and is responsive to emerging industry trends; and 4) business feedback on the role of technology in workforce decisions incorporated into the state's monthly jobs report.

*Certified Health IT Product List – U.S. Department of Health and Human Services:*

The Certified Health IT Product List (CHPL) is a comprehensive and authoritative listing of all certified health information technology that have been successfully tested and certified to meet criteria adopted by the Secretary of the Department of Health and Human Services (HHS). Managed by the Office of the National Coordinator for Health Information Technology (ONC), this directory exists to ensure that electronic health record systems and related modules are secure, interoperable, and capable of protecting patient data. All products listed on the CHPL have been tested by an ONC-Authorized Testing Laboratory and certified by an ONC-Authorized Certification Body. The registry doesn't just list compliant products; it also tracks usability testing results, banned developers, and any corrective actions against non-compliant or buggy software.

***This bill:***

This bill attempts to provide transparency on the use of GenAI tools used by health facilities and specified health providers to provide clinical decision support in the delivery of care. The bill does this by allowing licensed health care professionals or other persons using a clinical decision support system or viewing outputs from a clinical decision support system for patient care to request an inventory of these GenAI tools.

Specific to the jurisdiction of this Committee, and consistent anti-discrimination and anti-retaliation protections for the exercise of a workers labor rights in existing law, the bill prohibits an employer from retaliating or discriminating against a worker for using their professional judgment to make an assessment or decision within their appropriate scope of

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<sup>4</sup> Governor Gavin Newsom, Executive Order N-5-26, <https://www.gov.ca.gov/wp-content/uploads/2026/03/3.30-FINAL-Trusted-AI-Procurement-EO-N-5-26.pdf>.

<sup>5</sup> Governor Gavin Newsom, Executive Order N-6-26, <https://www.gov.ca.gov/wp-content/uploads/2026/05/5.21.26-AI-Workforce-EO-FINAL-SIGNED.pdf>.

practice based solely on the worker's override of, or reliance on, the output of a clinical decision support system. Also consistent with other existing law protections against discrimination and retaliation, a worker subject to such actions would have the right to file a complaint with the Labor Commissioner.

Lastly, the bill would prohibit the failure of a health care worker to override an output of a clinical decision support system from being asserted as a superseding cause severing the defendant's liability for the alleged harm in a civil action against a defendant who developed or deployed a clinical decision support system that is alleged to have caused harm. Regarding this provision, the author states that, a "superseding cause" is a specific type of legal argument in which a defendant is not held liable for any harm to a plaintiff by proving that the action of an intervening 3<sup>rd</sup> party action was highly unusual/extraordinary and that the defendant could not have reasonably foreseen this [CACI No. 432]. In this context, developers and employers may argue that they could not have foreseen a healthcare worker overriding the output of an AI and that it was highly extraordinary/unusual. Not only is this false, but successfully using this bad-faith argument will also relieve a developer of the responsibility of implementing safeguards or relieve an employer from the responsibility of vetting the procurement of an AI tool."

## 2. Need for this bill?

According to the author:

"While some AI models show promise for the future of healthcare, their errors still run rampant. At best, these errors can create a distracting barrage of false alarms and even flag basic bodily functions as emergencies, leading to unnecessary testing and treatments. At worst, failure can lead to fatal consequences for patients. We are already seeing AI errors playing out in healthcare. In one instance, 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<sup>6</sup>. Generative AI is also prone to errors such as "hallucinations" or even deceptive behavior<sup>7</sup>

If data used to train AI is biased, the tool's outputs will be similarly biased. One algorithm assigned Black patients a lower likelihood of adverse health outcomes than equally at-risk white patients because the tool used "healthcare costs" as a proxy for "health needs." Because the system historically spent less money on treating Black patients, the AI model codified this discrimination.<sup>8</sup> Given these flaws, AI should only support care—not substitute for clinical judgment or narrow a clinician's ability to act. Healthcare workers face a double bind when in an AI-integrated environment. A healthcare worker may bear liability or face retaliation from patients even though they had limited control over the erroneous output of an automated system. Simultaneously, employers may be pressuring or forcing their workers to follow the output of these systems. Healthcare workers should be encouraged to use their

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<sup>6</sup> [https://www.wsj.com/health/healthcare/ai-medical-diagnosis-nurses-f881b0fe?gaa\\_at=eafs&gaa\\_n=AWEtscqKOLP3NZ-RzgoKpm1\\_gs49wWKDDWeKXCanO\\_8SaLYweq0wyp0oNYLeKesi738%3D&gaa\\_ts=69a87c13&gaa\\_sig=MeVvYeqSbA3AjLrhQMzYXC80XBQM\\_0OfwIXjqWBXxiX1c0n4nClINnk0gYKKMpYbWBG7jVbyRhGbMxcKdUaMXQ%3D%3D](https://www.wsj.com/health/healthcare/ai-medical-diagnosis-nurses-f881b0fe?gaa_at=eafs&gaa_n=AWEtscqKOLP3NZ-RzgoKpm1_gs49wWKDDWeKXCanO_8SaLYweq0wyp0oNYLeKesi738%3D&gaa_ts=69a87c13&gaa_sig=MeVvYeqSbA3AjLrhQMzYXC80XBQM_0OfwIXjqWBXxiX1c0n4nClINnk0gYKKMpYbWBG7jVbyRhGbMxcKdUaMXQ%3D%3D)

<sup>7</sup> <https://www.ibm.com/think/topics/ai-hallucinations>; <https://www.businessinsider.com/gpt4-openai-chatgpt-taskrabbit-tricked-solve-captcha-test-2023-3>

<sup>8</sup> <https://www.science.org/doi/10.1126/science.aax2342>

professional judgement not only to make clinical decisions but also to determine whether to consult or use AI...AB 2575 would prohibit AI tools from replacing or limiting a healthcare worker's use of clinical judgment.”

### 3. Proponent Arguments:

One of the sponsors of the measure, the California Federation of Labor Unions writes:

“Currently, an estimated 65% of U.S. hospitals are already using AI tools, most commonly to predict inpatient health trajectories. In addition, hospitals and clinics use AI for electronic health records, staffing systems, clinical decision supports systems, remote monitoring platforms, and administrative decision-making. These tools can influence patient acuity scores, treatment recommendations, insurance determinations, discharge planning, and nurse workloads.

Despite their widespread use, health care workers often receive little information about when these tools are used, how they function, what data they rely on, or what risks and limitations they carry. This lack of transparency, combined with the expanding role of AI in clinical and workplace decisions, has significant implications for patient safety, professional practice, and accountability in health care. For example, algorithmic systems may generate patient acuity scores, treatment prompts, or discharge recommendations without disclosing how those outputs were produced, what data they relied on, or their known limitations. Without this information, clinicians cannot fully evaluate the reliability of these tools, and patients have no visibility into technologies affecting their care...

As these tools increasingly shape clinical decisions and working conditions, the absence of transparency, override protection, and clear accountability creates real risks for patients and undermines professional standards in care. AB 2575 creates the conditions and guardrails to ensure that human health care workers are in command of AI tools used in direct patient care, and not commanded by them, protecting patients and workers...”

A second sponsor, the California Nurses Association/National Nurses United writes:

“AB 2575 establishes clear guardrails to address the risks presented by AI in health care by:

- **Requiring transparency regarding when health care entities use AI in patient care.** The bill improves transparency by requiring health care entities that use AI in patient care to disclose key information about these systems to clinicians...These disclosures allow clinicians to evaluate AI-generated recommendations and support informed decision-making in patient care.
- **Protecting clinicians' professional judgement and ability to override AI-driven decisions...**AB 2575 affirms that clinicians may override unsafe or inappropriate AI outputs when necessary to protect patients and prohibits employers from retaliating against workers who exercise their professional judgment.
- **Ensures accountability for developers and deployers when AI systems cause harm.** AB 2575 prevents developers and deployers of AI systems from using a “human in the loop” as a superseding cause to avoid liability, claiming that a physician or a nurse

should have caught or overridden an unsafe recommendation. The presence of a clinician in the workflow does not eliminate the risks posed by opaque or error-prone AI systems, and a human in the loop is not a substitute for safe system design. When health care entities deploy technology that influences clinical decision-making, the entities that design and implement those systems must remain responsible for their safety and reliability.”

#### 4. Opponent Arguments:

A coalition representing physicians, hospitals and health systems, health plans, life sciences, and other health care stakeholders, including the California Chamber of Commerce, the California Hospital Association and the California Medical Association, are opposed to the measure. They argue that despite existing safeguards, AB 2575 would impose additional requirements that increase health care costs without any correlating benefit to the patients or workers who provide the care. They argue that at every stage of clinical care, California’s invaluable health care professionals retain full oversight and responsibility, and that no AI or related technology is deployed to make care decisions; instead, they are used to assist with and free up resources for patient care, reduce clinician burnout, and expand early warning systems. They write:

“AB 2575 would undermine patient-centric policies and procedures and conflict with medical staff rules and regulations by protecting any worker who provides direct patient care from reprimand or discipline. Section 2821 would essentially create a new protected class of workers, allowing them to make independent, subjective decisions about patient care without oversight or accountability, so long as those decisions fall within their scope of practice.

This would effectively give any worker who provides care unfettered authority — even when the subjective judgment causes patient harm, so long as the worker was acting within their scope. If a patient were to suffer harm — or even if harm is averted after a clinician “overrides” a tool’s output, the health facility would be unable to take corrective action, as doing so would be considered retaliation under the Labor Code.”

Additionally, they argue:

“Health care providers would also be forced to pull back AI tools that patients and clinicians currently rely on. Rather than helping providers manage patient care, AB 2575 would disrupt and delay the use of technologies that are already delivering measurable improvements in patient outcomes and reducing provider burnout... When doctors and radiologists use AI to help review medical scans like X-rays and MRIs, they can read results significantly faster and catch cancers that might otherwise be missed, with detection rates improving by 20%. Hospital staff who use AI spend less time on repetitive, time-intensive tasks, freeing up clinicians to focus on patients rather than paperwork and other non-clinical tasks.”

Lastly, the coalition argues that “California’s health care system is facing the most severe financial crisis in a generation. The One Big Beautiful Bill Act will strip billions of dollars from the state’s health care system, driving up the number of uninsured patients, raising uncompensated care costs, and pushing safety-net providers closer to layoffs, service cutbacks, or even outright closure. AB 2575 would compound these pressures. AI is not an aspiration in health care. Rather, it is a reality that is currently saving lives throughout California.”

**5. Committee Comments:**

The Retaliation Complaint Investigations Unit (RCI) within the Labor Commissioner's Office is tasked with investigating complaints alleging unlawful retaliation in the workplace to achieve remedies for the victims and to penalize those who retaliate. Existing law contains provisions protecting workers from discrimination and retaliation in their employment for various reasons. For example, existing Labor Code section 98.6 protects an employee (or applicant for employment) from retaliation for filing a bona fide complaint relating to their rights under the jurisdiction of the Labor Commissioner, including for owed unpaid wages, among others. These provisions provide a rebuttable presumption of unlawful retaliation if an employer engages in any prohibited action within 90 days of the specified protected activity. Additionally, the law imposes a penalty of up to \$10,000 per employee for each violation to be awarded to each employee who suffered the violation.

Section 2820 of this bill prohibits an employer from retaliating or discriminating against a worker for using their professional judgment to make an assessment or decision within their appropriate scope of practice based solely on the worker's override of, or reliance on, the output of a clinical decision support system. The bill would authorize a worker who is subject to retaliation or discrimination in violation of these provisions to file a complaint with the Labor Commissioner against an employer. The bill, however, does not give the LC direction as to what the remedies or penalties for violations are. *The author may wish to amend the bill to provide the Labor Commissioner with more direction on what the remedies and penalties for violations should be if the LC finds violations pursuant to the bill's prohibitions.*

**6. Triple Referral:**

This bill has been triple referred and was previously heard by Senate Health Committee. Should it pass out of this Committee, it will be referred to the Senate Committee on Privacy, Digital Technologies, and Consumer Protection.

**7. Prior/Related Legislation:**

AB 1883 (Bryan, 2026) would prohibit an employer from using certain types of workplace surveillance tools or using workplace surveillance tools to violate or prevent compliance with laws, or infer information about a worker's legally-protected status or activities. Provides for a civil penalty, enforcement by the LC or a public prosecutor, and a private right of action. *AB 1883 is pending referral in the Senate.*

AB 1898 (Schultz, 2026) would, among other things, require employers to give workers at least 90 days' advance written notice to an employee before deploying any workplace AI tool, as defined, used to assist the employer in making employment-related decisions or to surveil workers in the workplace. The bill allows enforcement by the Labor Commissioner, public prosecutors, and workers themselves, with civil penalties of up to \$500 per violation. *AB 1898 was held under submission in the Assembly Appropriations Committee.*

AB 1979 (Bonta, 2026) subjects businesses offering "healthcare chatbots" to the California Medical Information Act (CMIA) and imposes guardrails around the use of automated decision systems (ADS) and other generative AI (GenAI) models in clinical decisionmaking.

*AB 1979 is pending before the Senate Privacy, Digital Technologies & Consumer Protection Committee.*

AB 2027 (Ward, 2026) would, among other things, prohibit an employer from using a worker's personal information, as defined, to train an AI system to replicate, automate, or place a worker's job, as specified. *AB 2027 was held under submission in the Assembly Appropriations Committee.*

AB 2653 (Lee, 2026) would require the Department of Industrial Relations (DIR) to convene a working group to study the labor practices underlying the development of modern foundation models and associated AI systems. *AB 2653 as held under submission in the Assembly Appropriations Committee.*

AB 2545 (Schiavo, 2026) would create the CA AI Worker Impact Data Assessment Project within the Employment Development Department to, among other things, establish an advisory panel consisting of labor, technology experts and employers to study and report to the Legislature on the existing data collection systems and gaps in data collection related to the use and impact of AI on the labor force, as specified. *AB 2545 is pending before the Senate Privacy, Digital Technologies & Consumer Protection Committee.*

AB 2656 (Petrie-Norris, 2026) would requires certain public employers to provide a recognized employee organization with no less than 45 days' written notice before developing, purchasing, implementing, or utilizing any 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 pending before this Committee.*

SB 813 (McNerney, 2026) would require the Government Operations Agency to establish the CA AI Standards and Safety Commission to designate "independent verification organizations," which would ensure compliance with best practices for the prevention of personal injury and property damage and certify qualified AI models or AI applications. *SB 813 is pending in the Assembly Privacy and Consumer Protection Committee.*

SB 903 (Padilla, 2026) would prohibit individuals or corporations from using, advertising, or offering psychotherapy services, including through AI, unless conducted by a licensed health care professional, as defined. Would authorize licensed health care professionals to use AI for limited administrative or supplementary support, as indicated. SB 903 would provide state licensing boards and enforcement agencies the authority to pursue legal recourse for any violations. *SB 903 is pending in the Assembly Business and Professions Committee.*

SB 947 (McNerney, 2026) would, among other things, prohibit an employer from using an automated decision system (ADS) that does certain functions and would limit the purposes and manner in which an ADS may be used to make disciplinary, termination, or deactivation decisions. The bill includes worker anti-retaliation provisions for exercising these rights and specifies enforcement provisions including specified penalties and relief for violations. *SB 947 is pending in the Assembly Privacy & Consumer Protection Committee.*

SB 951 (Reyes, 2026) would, among other things, establish the California Worker Technological Displacement Act requiring a covered employer to provide at least a 60-day advanced written notice before any technological displacement or termination of contract

affecting 25 or more workers during any 30-day period. *less. SB 947 is pending in the Assembly Privacy & Consumer Protection Committee.*

SB 1248 (Cabaldon, 2026) would, among other things, impose certain restrictions on the use of an ADS by a state agency to confer services including the issuance of professional licenses and provision of public benefits. *SB 1248 was held under submission in the Senate Appropriations Committee.*

SB 503 (Pierson, 2025) would impose requirements on developers and deployers of AI systems used to support clinical decision-making or health care resource allocation, including that they make reasonable efforts to mitigate the risk of biased impacts in the system's outputs resulting from the use of the systems in health programs or activities. *SB 503 is pending on the Assembly Floor.*

AB 489 (Bonta, Chapter 615, Statutes of 2025) prohibits AI and GenAI systems from misrepresenting themselves as licensed or certified healthcare professionals and provides state licensing boards or enforcement agencies the authority to pursue legal recourse against developers or deployers of AI or GenAI systems.

*Several bills in 2025 addressed related AI issues including: SB 7 (McNerney, Vetoed), 238 (Smallwood-Cuevas), AB 1018 (Bauer-Kahan), AB 1221 (Bryan), AB 1331 (Elhawary)*

AB 2200 (Kalra, 2024), the California Guaranteed Health Care for All Act, would have provided comprehensive universal single-payer health care coverage. Among other provisions, the bill would have allowed specified healthcare workers to override a health IT system or clinical practice guidelines so long as it is appropriate according to their professional judgment, as specified.

## SUPPORT

California Federation of Labor Unions (Co-Sponsor)  
California Nurses Association/National Nurses United (Co-Sponsor)  
Alameda County Democratic Party  
American Federation of State, County and Municipal Employees  
California Alliance for Retired Americans  
California Democratic Party Rural Caucus  
California Faculty Association  
California Pan - Ethnic Health Network  
California School Employees Association  
CFT – a Union of Educators & Classified Professionals  
Consumer Watchdog  
Engineers and Scientists of California, IFPTE Local 20  
Health Access California  
National Union of Healthcare Workers  
Oakland Privacy  
Osteopathic Medical Board of California  
TechEquity Action  
Western Center on Law & Poverty, INC.

**OPPOSITION**

Advanced Medical Technology Association  
Adventist Health  
America's Physician Groups  
Association of California Life & Health Insurance Companies  
Association of Dental Support Organizations  
ATA Action  
Biocom  
California Association of Health Facilities  
California Association of Health Plans  
California Chamber of Commerce  
California Dental Association  
California Hospital Association  
California Life Sciences  
California Medical Association  
California Podiatric Medical Association  
California Radiological Society  
California Society of Pathologists  
Central City Association of Los Angeles  
Civil Justice Association of California  
Connected Health Initiative  
CPCA Advocates  
Glendale Chamber of Commerce  
Greater Coachella Valley Chamber of Commerce  
Greater Conejo Valley Chamber of Commerce  
Kaiser Permanente  
LAX Coastal Chamber of Commerce  
Los Angeles Area Chamber of Commerce  
Oceanside Chamber of Commerce  
OCHIN INC.  
Orange County Business Council  
Planned Parenthood Affiliates of California  
San Diego Regional Chamber of Commerce  
San Gabriel Valley Economic Partnership  
Santa Monica Chamber of Commerce  
Scripps Health  
Southwest California Legislative Council  
Stanford Health Care  
Sutter Health  
TechNet  
Tri County Chamber Alliance  
University of California

**-- END --**