
THIRD READING

Bill No: AB 2656
Author: Petrie-Norris (D)
Amended: 7/1/26 in Senate
Vote: 21

SENATE LABOR, PUB. EMP. & RET. COMMITTEE: 5-0, 6/17/26
AYES: Smallwood-Cuevas, Strickland, Cortese, Durazo, Laird

SENATE PRIV., DIGITAL TECH. & CONS. PROT. COMMITTEE: 9-0, 6/29/26
AYES: Cabaldon, Seyarto, Gonzalez, McNerney, Ochoa Bogh, Padilla, Reyes,
Umberg, Wiener

SENATE APPROPRIATIONS COMMITTEE: 7-0, 8/13/26
AYES: Cervantes, Seyarto, Cabaldon, Dahle, Grayson, Richardson, Wahab

ASSEMBLY FLOOR: 72-2, 5/26/26 - See last page for vote

SUBJECT: Public employees: notice: artificial intelligence performing service
within scope of work

SOURCE: Author

DIGEST: This bill requires certain public employers to provide a recognized employee organization with no less than 45 days' written notice before developing, purchasing, or requiring the use of any generative artificial intelligence to perform a service that is within the scope of work of the job classification represented by the recognized employee organization.

ANALYSIS:

Existing law:

1) Defines the following terms:

- a) “Artificial intelligence” or “AI” 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.
 - b) “Automated decision system” means 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.
 - c) “Generative artificial intelligence” or “GenAI” 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.
(Government Code §11546.45.5 & §11549.64)
- 2) Requires the Office of Emergency Services to, as appropriate, perform a risk analysis of potential threats posed by GenAI to California’s critical infrastructure, including risks that could lead to mass casualty events. Among other things, requires the analysis to include recommendations reflecting changes to AI technology, its applications, and risk management such as further private actions, administrative actions, and collaboration with the Legislature to protect against potential threats and vulnerabilities. (Government Code §11549.65)
 - 3) Requires any state agency or department to consider procurement and enterprise use opportunities in which GenAI can improve the efficiency, effectiveness, accessibility, and equity of government operations consistent with relevant policies for public sector GenAI procurement. Additionally, it requires legal counsel for any state agency or department to consider any potential impact of GenAI on regulatory issues and recommend necessary updates, if appropriate, to this evolving technology. (Government Code §11549.65)
 - 4) Governs collective bargaining in the private sector under the federal National Labor Relations Act (NLRA) but leaves it to the states to regulate collective bargaining in their respective public sectors. (United States Code, Title 29, §151 et seq.)

- 5) Provides several statutory frameworks in state law granting public employees collective bargaining rights, governing public employer-employee relations, and limiting labor strife and economic disruption in the public sector through a reasonable method of resolving disputes regarding wages, hours and other terms and conditions of employment between public employers and recognized public employee organizations or their exclusive representatives. (Government Code §3560 et seq.)
- 6) Requires the Governor, or their representative, to meet and confer in good faith regarding wages, hours, and other terms and conditions of employment with representatives of recognized employee organizations. For these purposes, “meet and confer in good faith” requires both parties to meet for a reasonable period of time in order to exchange freely information, opinions, and proposals, and to endeavor to reach agreement on matters within the *scope of representation* prior to the adoption by the state of its final budget for the ensuing year. The process should include adequate time for the resolution of impasses. (Government Code §3517)
- 7) Limits the “scope of representation” to wages, hours, and other terms and conditions of employment, except, however, that the scope of representation shall not include consideration of the merits, necessity, or organization of any service or activity provided by law or executive order. (Government Code §3516)
- 8) Except in cases of emergency, as specified, requires public employers to give reasonable written notice to each recognized employee organization affected by any law, rule, resolution, or regulation directly relating to *matters within the scope of representation* proposed to be adopted by the employer, and shall give such recognized employee organizations the opportunity to meet and confer with the administrative officials or their delegated representatives as may be properly designated by law. (Government Code §3516.5)
- 9) Establishes the Public Employee Communication chapter (PECC) as a means to provide exclusive representatives meaningful access to, and communication with, their represented members. (Government Code §3555 et seq.)
- 10) Applies the PECC to the following employment relations statutes:
 - a) The Meyers-Milias-Brown Act (MMBA) governing local public employment relations.

- b) The Ralph C. Dills Act (Dills Act) governing employment relations for certain executive branch, i.e., state, employees.
- c) The Judicial Council Employment Relations Act (JCEERA) governing employment relations for employees of the Judicial Council.
- d) The Educational Employment Relations Act (EERA) governing employment relations for public K-12 school districts and community college districts.
- e) The Higher Education Employer-Employee Relations Act (HEERA) governing employment Relations for the California State University, University of California (UC), and UC San Francisco School of Law (formerly, Hastings College of Law).
- f) The Trial Court Employment Protection and Governance Act, commonly referred to as the Trial Court Act, governing employment relations for trial court employees.
- g) The Trial Court Interpreter and Labor Relations Act, commonly referred to as the Court Interpreter Act, governing employment relations for trial court interpreters.
- h) The Los Angeles County Metropolitan Transportation Authority (LAMTA) Transit Employer-Employee Relations Act governing employment relations for the LAMTA's supervisory employees (TEERA).
- i) Other public transit districts, as specified.

(Government Code §3555.5 et seq.)

- 11) Establishes the Public Employment Relations Board (PERB), a quasi-judicial administrative agency charged with administering certain statutory frameworks governing California state and local public employer-employee relations, resolving disputes, and enforcing the statutory duties and rights of public agency employers, employees, and employee organizations. (Government Code §3541 et seq.)

This bill:

- 1) Requires specified public employers to provide a recognized employee organization no less than 45 days' written notice before taking an action to develop, purchase, or require the use of any GenAI to perform a service that is

within the *scope of work* of the job classification represented by the recognized employee organization.

- 2) Imposes this requirement on the public employers identified in Government Code Section 3555.5 (a) (listed above under item 7 of existing law).
- 3) Defines “AI” and “GenAI” as currently defined in statute, as provided.

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. GenAI is a subfield of AI that creates content like text, images, audio or software code in response to human prompts. GenAI can learn from underlying patterns and structures of data to generate new data in response to input or prompts.

As this technology develops, so do fears of worker displacement in more areas and industries. Beyond replacing workers, 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.¹ In terms of state employment and GenAI use, a 2024 survey by the National Association of State Chief Information Officers (NASCIO) found that 53% of chief information officers reported using GenAI tools in their daily work.²

“Scope of Representation” in Collective Bargaining: As noted under existing law, public employers are required to meet and confer in good faith with representatives of recognized employee organizations and endeavor to reach agreement on matters within the *scope of representation*. The mandatory subjects of collective bargaining, commonly referred to as the “scope of representation” or “scope of work” under the various public employment relations statutes cover wages, hours,

¹ 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>.

² Amy Glasscock, “Generating opportunity: The risks and rewards of generative AI in state government,” National Association of State Chief Information Officers, (Nov 2024), https://www.nascio.org/wp-content/uploads/2024/11/NASCIO_Risks-and-Rewards-of-GenAI_2024_a.pdf

and other terms and conditions of employment, and explicitly exclude certain matters.

Existing law requires public employers to give reasonable written notice to each recognized employee organization affected by any law, rule, resolution, or regulation directly relating to *matters within the scope of representation* proposed to be adopted by the employer, and shall give such recognized employee organizations the opportunity to meet and confer with the administrative officials or their delegated representatives as may be properly designated by law.

Need for this bill? According to the author: “Existing law requires public agencies to meet and confer with recognized employee organizations regarding changes to wages, hours, and other terms and conditions of employment. However, these statutes were enacted long before the emergence of generative artificial intelligence (GenAI) and do not specifically address the development, purchase, implementation, or use of GenAI technologies in the public-sector workplace. As a result, public employers may move forward with adopting GenAI tools without providing advance notice to employee organizations, even when those tools may substantially affect employees’ job duties, workplace conditions, evaluations, and/or long-term job security. AB 2656 seeks to address this gap by ensuring that employee organizations receive timely notice before public employers introduce GenAI systems that perform work within represented job classifications”

Related/Prior Legislation:

AB 1883 (Bryan, 2026) would regulate the use of workplace surveillance tools by both public and private employers. AB 1883 is pending on the Senate Floor.

SB 947 (McNerney, 2026) would, among other things, prohibit an employer from using an ADS to perform certain actions and regulates allowable ADS uses. SB 947 is pending on the Assembly Floor.

SB 951 (Reyes, 2026) would, among other things, establish the California Worker Technological Displacement Act requiring a covered employer to provide advance notice when artificial intelligence or other automated technology causes significant workforce disruption. SB 947 is pending on the Assembly Floor.

AB 339 (Ortega, Chapter 687, Statutes of 2025) requires public agencies regulated by the Meyers-Milias-Brown Act (MMBA) to give a recognized employee organization no less than 45 days’ written notice regarding contracts to perform

services that are within the scope of work of job classifications represented by the REO, among other provisions.

[NOTE: Please see the Senate Labor, Public Employment and Retirement Committee analysis on this bill for more background information and information on more prior and related legislation.]

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

According to the Senate Appropriations Committee:

- This bill would result in costs to the State as a direct employer, likely exceeding \$50,000 annually (General Fund and special funds), to implement the bill's employee notice requirements. The magnitude of these costs would depend on the extent to which state departments use workplace AI tools.
- In addition, the bill's notification requirements would apply to approximately 1,000 school districts and 58 county offices of education. The resulting annual costs are unknown but would be borne through Proposition 98 General Fund support.
- The Public Employment Relations Board (PERB) would incur annual General Fund costs of \$235,000 to implement the provisions of the bill.
- The bill would also impose costs on local agencies, including cities, counties, and special districts, to implement its notice requirements. If the Commission on State Mandates determines that these requirements constitute a reimbursable state mandate, the state would incur corresponding General Fund costs to reimburse local agencies. The magnitude of these costs is unknown but could exceed \$50,000 annually.

SUPPORT: (Verified 8/13/26)

California Professional Firefighters
CFT – A Union of Educators & Classified Professionals
Peace Officers Research Association of California
SEIU California

OPPOSITION: (Verified 8/13/26)

Association of California School Administrators
California Association of Recreation & Park Districts

California Special Districts Association
California State Association of Counties
City of Norwalk
City of Orinda
County of Kern
El Dorado Irrigation District
League of California Cities
Public Risk Innovation, Solutions, and Management (PRISM)
Rural County Representatives of California
Shasta County Board of Supervisors
Urban Counties of California

ARGUMENTS IN SUPPORT: According to the sponsors, the Peace Officers' Research Association of California (PORAC):

“Public safety professionals bring valuable, real-world experience and insight that can help ensure these tools are implemented effectively and responsibly. Providing advance notice and an opportunity to engage allows employee organizations to identify potential risks, improve outcomes, and help integrate new technologies in a way that supports both public safety and workforce stability.

AB 2656 strikes an appropriate balance by fostering collaboration between public employers and employee organizations, while ensuring that decisions impacting wages, hours, and working conditions are not made unilaterally. By requiring advance notice, the bill promotes transparency, accountability, and thoughtful implementation of emerging technologies. Additionally, AB 2656 does not create a fiscal impact, as compliance is limited to providing advance notice, which can be accomplished through a simple written communication, such as an email to the recognized employee organization.”

ARGUMENTS IN OPPOSITION: A coalition of local public employer organizations, including the California State Association of Counties, the League of California Cities, and the Association of California School Administrators, among others, write:

“When tools become available that assist with specific aspects of public service (like charting in health clinic or monitoring drinking water safety), they are often vetted in partnership with employees with the mutual goals of ensuring staff is empowered to focus on certain aspects of their work and providing more efficient and effective outcomes that benefit the public.

Importantly, local agencies remain subject to the statutory provisions Meyers-Milias-Brown Act (MMBA), which require local agencies to meet and confer with recognized employee organizations regarding changes to employees' wages, hours, or terms and conditions of employment. Existing law provides a robust framework for determining when particular uses of generative artificial intelligence may actually have a significant and adverse effect on the employment relationship, in which case notification (and more) is already required. This bill is therefore both overbroad and unnecessary...

It is also important to note the myriad other legislative measures that seek to limit the use of artificial intelligence in the public sector in multiple forms. Regardless of the benefit of any new technologies and regardless of any obligation to take such action in a public meeting, local agencies would be seriously hindered in adopting such tools under these proposals. To be sure, if some of those measures are approved by the Legislature, there will be no notification necessary as many of them would effectively impose bans on the use of most AI tools. AB 2656 appears to be a solution without a clearly identified problem.”

ASSEMBLY FLOOR: 72-2, 5/26/26

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Chen, Connolly, Davies, Elhawary, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, 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

NOES: DeMaio, Ellis

NO VOTE RECORDED: Castillo, Dixon, Hadwick, Johnson, Muratsuchi, Celeste Rodriguez

Prepared by: Alma Perez-Schwab / L., P.E. & R. / (916) 651-1556
8/14/26 14:17:28

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