
SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair
2025 - 2026 Regular Session

AB 316 (Krell) - Artificial intelligence: defenses

Version: April 28, 2025

Urgency: No

Hearing Date: July 7, 2025

Policy Vote: JUD. 12 - 0

Mandate: No

Consultant: Liah Burnley

Bill Summary: AB 316 prohibits a defendant in a civil action from asserting the defense that artificial intelligence it used autonomously caused harm to the plaintiff.

Fiscal Impact:

- Unknown, potentially significant costs to the state funded trial court system (Trial Court Trust Fund, General Fund). The elimination of a defense, as proposed by this bill, may increase the likelihood of success for plaintiffs and encourage plaintiffs to file suits that they otherwise would not have. The fiscal impact of this bill to the courts will depend on many unknowns, including the number of cases filed and the factors unique to each case. An eight-hour court day costs approximately \$10,500 in staff in workload. If court days exceed 10, costs to the trial courts could reach hundreds of thousands of dollars. While the courts are not funded on a workload basis, an increase in workload could result in delayed court services and would put pressure on the General Fund to fund additional staff and resources and to increase the amount appropriated to backfill for trial court operations.
- Unknown, potentially significant costs (General Fund, local funds) to state and local agencies for increased exposure to civil liability to the extent they use artificial intelligence. Agencies may also incur higher liability insurance costs because of increased litigation exposure.

Background: Private individuals, companies, and government agencies are using artificial intelligence in increasingly sophisticated ways. For example, employers use artificial intelligence to screen resumes for job openings, lenders use it to recommend prospective homeowners for mortgages, and hospital risk-scoring systems use it to predict care needs for patients. Law enforcement use artificial intelligence to write police reports and criminal justice agencies use it for risk-assessments. However, as detailed in the policy committee analyses of this bill, research shows unfettered use of artificial intelligence does not come without risk of harm.

Proposed Law:

- Provides that, in an action against a defendant who developed, modified, or used artificial intelligence that is alleged to have caused a harm to the plaintiff, it shall not be a defense, and the defendant may not assert, that the artificial intelligence autonomously caused the harm to the plaintiff.

- Defines “Artificial intelligence” as 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.

Related Legislation: This bill is one of a many related to AI this Legislative Session:

- SB 53 (Weiner) establishes a consortium develop a framework for the creation of a public cloud computing cluster to advance the development of AI that is safe, ethical, equitable, and sustainable. SB 53 is pending in the Assembly Judiciary Committee.
- SB 366 (Smallwood Cuevas) creates a study evaluating the impact of AI on worker well-being. SB 366 was held under submission in this Committee.
- SB 503 (Weber Pierson) requires developers of patient care decision support tools and health facilities to make reasonable efforts to identify uses of patient care decision support tools in health programs. SB 503 is pending in the Assembly Health Committee.
- SB 524 (Arreguin) requires law enforcement agencies to note when they use AI on official reports. SB 524 is pending in the Assembly Public Safety Committee.
- SB 579 (Padilla) establishes a mental health and AI working group. SB 579 was held under submission in this Committee.
- SB 833 (McNerney) requires a state agency in charge of critical infrastructure that deploys AI to establish a human oversight mechanism. SB 833 is pending in the Assembly Privacy and Consumer Protection Committee.
- AB 222 (Bauer-Kahan) requires reporting about energy use related to AI. AB 222 is pending in the Senate Energy, Utilities and Communications Committee.
- AB 410 (Wilson) requires bots using AI to disclose that they are bots. AB 410 is pending in the Senate Judiciary Committee.
- AB 412 (Bauer Kahan) requires a of a generative AI model to document any copyrighted materials used to train the model. AB 412 is pending in the Senate Judiciary Committee.
- SB 420 (Padilla) regulates high-risk automated decision systems. SB 420 is pending in the Assembly Privacy and Consumer Protection Committee.
- SB 468 (Becker) imposes a duty on business that deploy a high-risk AI systems that processes personal information to protect personal information. SB 468 was held under submission in this Committee.
- AB 489 (Bonta) 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 enforceable against an entity who uses AI. AB 489 is pending in the Senate Judiciary Committee.

- AB 853 (Wicks) requires a large online platform to retain any available provenance data in content posted on the large online platform. AB 853 is pending in the Senate Judiciary Committee.
- AB 979 (Irwin) develops a California AI Cybersecurity Collaboration Playbook to facilitate information sharing across the AI community. AB 979 is pending in the Senate Judiciary Committee.
- AB 1018 (Bauer-Kahan) regulates automated decision systems. AB 1018 is pending in the Senate Judiciary Committee.
- AB 1064 (Bauer-Kahan) adopts criteria for determining the level of estimated risk of an AI system on children. AB 1064 is pending is pending in the Senate Judiciary Committee.
- AB 1159 (Addis) prohibits using student personal information to train AI. AB 1159 is was not heard at the request of the author in the Assembly Committee on Privacy and Consumer Protection.
- AB 1405 (Bauer-Kahan) establishes a mechanism allowing natural persons to report misconduct by AI auditors. AB 1405 is pending is pending in the Senate Judiciary Committee.

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