

CONCURRENCE IN SENATE AMENDMENTS

AB 489 (Bonta)

As Amended July 8, 2025

Majority vote

SUMMARY

Extends the enforceability of existing title protections for various licensed health care professions to expressly apply against a person or entity who develops or deploys artificial intelligence (AI) or generative artificial intelligence (GenAI) technology.

Senate Amendments

Make minor and technical changes to the bill.

COMMENTS

Professional Title Protection. Title protection is one of the forms of regulation of professional services that can be imposed by the Legislature to protect patients and consumers by reserving the use of words, terms, initials, and titles for individuals who have met certain requirements to demonstrate competence. As described in the context of the Legislature's "sunrise review" process, title protection is frequently included as part of a licensing act, where only persons who meet predetermined standards are allowed to work at an occupation. When licensure is required for a profession, both the scope of practice and the use of titles describing that title are protected.

As a less restrictive alternative to licensure, the Legislature will sometimes grant recognition to persons who obtain a voluntary certification or registration relating to an unlicensed profession by providing them with exclusive use of specified titles. In many cases, this title protection is limited to the use of terms such as "certified" or "licensed" in association with terms related to the profession. However, some specific terms, such as "dietician" or "athletic trainer," are reserved for individuals who have obtained a voluntary certification or met other requirements despite there being no requirement to obtain a license to practice that profession.

General provisions governing health professional licensing boards make it unlawful for any healing arts licensee to publically communicate any false, fraudulent, misleading, or deceptive statement, claim, or image for the purpose of rendering professional services in connection with their licensed practice. Statute specifically prohibits a licensee from using "any professional card, professional announcement card, office sign, letterhead, telephone directory listing, medical list, medical directory listing, or a similar professional notice or device if it includes a statement or claim that is false, fraudulent, misleading, or deceptive." Practitioners may advertise that they are certified or that they limit their practice to specific fields; however, the term "board certified" reserve for physicians certified by an American Board of Medical Specialties member board.

Additionally, Section 17500 of the Business and Professions Code broadly prohibits false advertising of a product or service. Specifically, this law makes it unlawful for any person to make any statement or advertisement with intent to perform services, professional or otherwise, that is untrue or misleading. While this code section covers a wide range of false advertisements by sellers of goods or services, its provisions would be applicable to health care licensees.

Unlawful use of a title is enforced by regulatory entities, including healing arts boards, consistent with the process for enforcement against unlicensed practice. Typically, these types of violations of a practice act constitute a misdemeanor. Many boards also possess the authority to cite and fine violators, or to engage in other actions to compel compliance with the law. The unauthorized use of professional titles in advertising can also form the basis for prosecutions against individuals or entities for false advertising or unfair business practices.

Artificial Intelligence. The recent acceleration in the evolution of AI and GenAI technologies has elicited a great deal of attention from policymakers, and this has been especially true when the technology is deployed in a health care setting. The integration of AI into health care practice raises both legal and ethical concerns, particularly when AI is used to supplant or influentially augment clinical judgment by practitioners. Additionally, concerns have been voiced that AI technologies have the potential to displace human medical professionals in the future, which could have detrimental effects on both the health care workforce and for patients.

A significant component of these concerns relates to the use of AI systems to imitate licensed health care providers. AI-powered diagnostic tools, chatbots, and virtual assistants are increasingly capable of providing what resembles medical advice, which can blur the lines between machine-generated guidance and professional medical consultation from a trained human professional. Meanwhile, there is uncertainty as to whether existing laws that restrict the use of professional titles to licensed individuals are enforceable against non-human AI programs or those who develop or deploy them. This has led to challenges in ensuring that AI systems do not mislead patients by presenting communications as coming from qualified professionals, especially since those communications are not subject to oversight by a licensing board.

In January 2025, California Attorney General Rob Bonta issued a "legal advisory on the application of existing California law to artificial intelligence in healthcare." The advisory noted that "California's professional licensing laws provide additional standards to which licensed medical professionals must adhere" and that "only human physicians (and other medical professionals) are licensed to practice medicine in California; California law does not allow delegation of the practice of medicine to AI." The Attorney General's advisory further opined that "using AI or other automated decision tools to make decisions about patients' medical treatment, or to override licensed care providers' determinations about what a patient's medical needs are, may violate California's ban on the practice of medicine by corporations and other 'artificial legal entities' ... in addition to constituting an 'unlawful' or 'unfair' business practice under the Unfair Competition Law."

AI Psychotherapy. In the background paper for the Board of Psychology's most recent sunset review oversight hearing, Issue no. 13 discussed how AI is specifically changing the field of psychology. The background paper questioned what regulatory changes may be necessary to protect consumers and ensure the ethical use of AI-driven tools in psychotherapy practice. As discussed in the sunset review background paper, AI has the potential to transform the field of psychology, from the provision of psychotherapy to research. While AI innovations, such as chatbots (e.g., Wysa and Woebot) and tools that automate notetaking (e.g., Mental Note AI and TherapyFuel), can improve consumer access and affordability and lessen the administrative burden on psychologists, there are numerous questions outstanding about safety, privacy, reliability, and equity. The dangers of AI-generative chatbots have been the subject of increased scrutiny and are at the center of two lawsuits.

In a letter to the Federal Trade Commission (FTC), the American Psychological Association (APA) expressed its "grave concerns about "entertainment" chatbots that purport to serve as companions or therapists. The letter highlighted concerns that some technologies available to the public lack appropriate safeguards, adequate transparency, or the warning and reporting mechanisms necessary to ensure appropriate use and access by appropriate users. The APA urged the FTC to investigate "the prevalence and impacts of deceptive practices employed by AI-generative chatbots and other AI-related technologies like Character.ai, Replika, and other companies for developing and perpetuating AI-generated characters that engage in misrepresentations and for engaging in deceptive trade practices, passing themselves off as trained mental health providers, and potentially causing harm to the public."

A lawsuit against Character.ai has been filed by the mother of a Florida teen who died by suicide after interacting with a chatbot claiming to be a licensed psychologist. A second lawsuit was initiated by the parents of a Texas teen with autism after a chatbot grew hostile and violent towards him during a period of time when he was interacting with a chatbot claiming to be a psychologist. According to *The Washington Post*, he had also begun harming himself and lost 20 pounds. Although the dangers of these chatbots are well documented, they are popular. Some of Character.ai's chatbots have had more than one million conversations with users.

This bill would address general concerns about the integration of AI technologies in health care practice settings, and specific concerns about the growing popularity of AI chatbots engaged in psychotherapy, by expressly applying existing title protections to the advertising or functionality of an AI system, program, device, or similar technology. The bill would additionally prohibit the use of any term, letter, or phrase in the advertising or functionality of an AI system, program, device, or similar technology that indicates or implies that the care or advice being offered through the AI technology is being provided by a natural person in possession of the appropriate license or certificate to practice as a health care professional. While it could be argued that existing law could be interpreted to prohibit the types of behaviors addressed by the bill as unfair business practices or the unlicensed practice of medicine, this bill would make the applicability of existing protections explicit for purposes of AI technologies, which would clarify both requirements for compliance and options for enforcement.

According to the Author

"The rapid rise of AI systems has sparked a wide range of opinions about their impact on society. However, one thing is certain— AI is advancing faster than the laws and regulations needed to protect Californians. Artificial intelligence (AI) systems have reached a point where they can produce natural-sounding language, and are trained on a vast amount of information, including health-related information. This powerful capability enables it to convincingly mimic a health professional. Without proper safeguards in place, this capability can pose a danger to consumers in both health care and non-health care settings. Californians deserve transparency and protection from misrepresentation, and AI technologies must be developed and deployed responsibly to prevent such misrepresentation. For instance, consumers should be able to trust that a 'nurse advice' telephone line or chat box is staffed by a licensed human nurse. AB 489 fills an emerging need by codifying a clear, enforceable prohibition on automated systems misrepresenting 'themselves' as health professionals."

Arguments in Support

SEIU California and the *California Medical Association* (CMA) write jointly in support as co-sponsors of the bill: "AB 489 provides state health professions boards with clear authority to

enforce title protections when AI systems or similar technologies, such as internet-based chatbots, misrepresent themselves as health professionals. The bill makes entities that develop and deploy AI systems responsible for any violations of existing title protections and explicitly prohibits AI systems from misrepresenting themselves as human health professionals." SEIU California and CMA argue that "AB 489 is a commonsense step to guarding against these dangers and ensuring that AI technologies are developed and deployed responsibly in healthcare settings. By prohibiting AI systems from misrepresenting themselves as licensed health professionals, this bill protects patients from deception and potential harm."

Arguments in Opposition

There is no opposition on file.

FISCAL COMMENTS

According to the Senate Committee on Appropriations, the Department of Consumer Affairs reports a majority of the healing arts boards note a minor and absorbable fiscal impact; unknown, potentially significant costs to certain healing arts boards based on enforcement workload; and ongoing costs of \$56,000 to the Dental Board of California and the California State Board of Pharmacy respectively, which would be absorbable within each board's existing resources.

VOTES:

ASM BUSINESS AND PROFESSIONS: 17-0-1

YES: Berman, Flora, Ahrens, Alanis, Bains, Caloza, Chen, Elhawary, Hadwick, Haney, Irwin, Jackson, Krell, Lowenthal, Macedo, Nguyen, Pellerin

ABS, ABST OR NV: Bauer-Kahan

ASM PRIVACY AND CONSUMER PROTECTION: 14-0-1

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

ABS, ABST OR NV: Patterson

ASM APPROPRIATIONS: 14-0-1

YES: Wicks, Arambula, Calderon, Caloza, Dixon, Elhawary, Fong, Mark González, Hart, Pacheco, Pellerin, Solache, Ta, Tangipa

ABS, ABST OR NV: Sanchez

ASSEMBLY FLOOR: 79-0-0

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, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

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