Date of Hearing: August 20, 2025

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

SB 11 (Ashby) – As Amended July 17, 2025

Policy Committee: Judiciary Vote: 11 - 0

Public Safety 9 - 0 Privacy and Consumer Protection 15 - 0

Urgency: No State Mandated Local Program: No Reimbursable: No

SUMMARY:

This bill imposes disclosure requirements on entities that provide artificial intelligence (AI) technology capable of creating digital replicas and changes other legal standards relating to use of digital replicas.

Specifically, among other provisions, this bill:

- 1) Imposes disclosure requirements on a person or entity that makes available to consumers AI technology capable of creating a digital replica (a "covered entity") as follows:
 - a) Requires, by December 1, 2026, a covered entity to provide a consumer warning that states: "Unlawful use of this technology to depict another person without prior consent may result in civil or criminal liability for the user."
 - b) Specifies how and where a covered entity must display the consumer warning.
 - c) Authorizes civil enforcement of a violation of the disclosure requirement by public prosecutors and authorizes a civil penalty of up to \$25,000 per violation.
- 2) Amends California's right of publicity law as follows:
 - a) Specifies that a person's voice or likeness includes a digital replica.
 - b) Removes a rebuttable presumption that changes the burden of proof where an employee's photograph or likeness is only incidental, and not essential, to the purpose of the publication in which it appears.
- 3) Specifies, for crimes involving false impersonation, that false impersonation includes use of a digital replica with the intent to impersonate another.
- 4) Requires, by January 1, 2027, Judicial Council to review the impact of AI on the admissibility of proffered evidence in court proceedings and develop any necessary rules of court to assist courts in assessing claims that evidence has been generated by or manipulated by AI and determining whether such evidence is admissible.

FISCAL EFFECT:

- 1) Possible costs (General Fund, special funds) to the Department of Justice (DOJ) of an unknown amount. Actual costs will depend on whether the Attorney General pursues enforcement actions, and, if so, the level of additional staffing DOJ needs to handle the related workload. If DOJ hires staff to handle enforcement actions authorized by this bill, it would incur significant costs, likely in the low hundreds of thousands of dollars annually at a minimum. If DOJ does not pursue enforcement as authorized by this bill, it would likely not incur any costs.
- 2) Cost pressures (Trial Court Trust Fund, General Fund) of an unknown but potentially significant amount to the courts to adjudicate civil actions and additional criminal charges, and to review the impact of AI technology on evidence and, if needed, issue related rules of court. Actual costs for adjudication will depend on the number of cases filed and the amount of court time needed to resolve each case. It generally costs approximately \$1,000 to operate a courtroom for one hour. Judicial Council reports minor and absorbable costs to conduct the study and create rules of court.
 - Although courts are not funded on the basis of workload, increased pressure on the Trial Court Trust Fund may create a demand for increased funding for courts from the General Fund. The fiscal year 2025-26 state budget provides \$82 million ongoing General Fund to the Trial Court Trust Fund for court operations.
- 3) Costs (local funds, General Fund) to the counties and the California Department of Corrections and Rehabilitation to incarcerate people convicted of false impersonation offenses. Actual incarceration costs will depend on the number of convictions, the length of each sentence, and whether each sentence must be served in county jail or state prison. The average annual cost to incarcerate one person in county jail is approximately \$29,000. The Legislative Analyst's Office estimates the average annual cost to incarcerate one person in state prison is \$133,000. County incarceration costs are not subject to reimbursement by the state. However, overcrowding in county jails creates cost pressure on the General Fund because the state has historically granted new funding to counties to offset overcrowding resulting from public safety realignment.

COMMENTS:

- 1) **Purpose.** Advances in generative AI technology and other tools make it much easier to create realistic images and sound that are indistinguishable from actual photographs and recordings. According to the author, "Bad actors are creating and sharing AI deepfake videos, images, and audio recordings that use a person's name, image, or likeness without their consent." The author believes this bill "strikes a balance between regulating rapidly advancing AI technologies and allowing continued innovation in the AI sector," providing legal recourse to victims of people who use AI technology to create unauthorized digital replicas or impersonate others.
- 2) **Background.** *Consumer Warning.* This bill requires providers of AI technology that can be used to create digital replicas to display a warning to users that unlawful creation of digital replicas may result in criminal or civil liability. This portion of the bill has been amended to address some of the concerns raised by technology industry and business groups, though other concerns remain. According to the analysis of this bill by the Assembly Committee on Judiciary, the required consumer warning is unlikely to be struck down by the courts as

unconstitutional compelled speech because it is factual and may help inform consumers about the risks of unlawful uses of AI tools.

Right of Publicity Law. California Civil Code section 3344 allows a person ("plaintiff") to file a civil lawsuit against another party ("defendant") who uses the plaintiff's image — including their name, voice, picture, or likeness — in a commercial context without the plaintiff's consent. Section 3344 authorizes a court to award a prevailing plaintiff statutory damages, actual damages, punitive damages, and attorney's fees and costs. This bill specifies that for purposes of enforcing a person's right to publicity, their voice or likeness includes a digital replica. In other words, this bill allows a plaintiff to file a lawsuit under the right to publicity law if a defendant uses an unauthorized digital replica of the plaintiff's voice or likeness. Digital replica is defined elsewhere in statute as a "computer-generated, highly realistic electronic representation that is readily identifiable as the voice or visual likeness of an individual" contained in specified forms of media, without the participation of the depicted person.

False Impersonation. There are several crimes in the Penal Code for which false impersonation of another person is an element. For example, it is a crime to credibly impersonate an actual person through the internet or other electronic means for the purposes of harming, intimidating, threatening, or defrauding a person. This offense is a misdemeanor punishable by a fine, up to one year in county jail, or both a fine and a jail term. It is also a crime to falsely impersonate another person and carry out specified actions, including acting in a manner that could subject the person being impersonated to criminal or civil liability. This offense is punishable as a misdemeanor by up to one year in county jail, or as a felony by 16 months, two years, or three years in county jail, or in state prison if the defendant has certain prior convictions. This bill specifies that for any offense that involves false impersonation, using a digital replica to impersonate someone counts as false impersonation.

- 3) **Related Legislation.** AB 56 (Bauer-Kahan) requires large social media platforms to display a black box warning at specified intervals to platform users stating that social media is associated with significant mental health harms and has not been proven safe for young users. AB 56 is pending in the Senate Appropriations Committee.
 - SB 683 (Cortese) expressly authorizes injunctive relief in a case brought under the right of publicity law. SB 683 is pending on the Assembly floor.
- 4) **Prior Legislation.** SB 970 (Ashby), of the 2023-24 Legislative Session, was similar to this bill but would have required the Department of Consumer Affairs to determine the form and content of the consumer warning and enforce violations. SB 970 was held on the Senate Appropriations Committee's suspense file.

Analysis Prepared by: Annika Carlson / APPR. / (916) 319-2081