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**THIRD READING**

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Bill No: SB 719  
Author: Cabaldon (D)  
Amended: 1/6/26  
Vote: 21

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SENATE JUDICIARY COMMITTEE: 13-0, 1/13/26

AYES: Umberg, Niello, Allen, Ashby, Caballero, Durazo, Laird, Reyes, Stern, Valladares, Wahab, Weber Pierson, Wiener

SENATE GOVERNMENTAL ORG. COMMITTEE: 14-0, 1/13/26

AYES: Padilla, Valladares, Archuleta, Ashby, Blakespear, Cervantes, Dahle, Jones, Ochoa Bogh, Richardson, Rubio, Smallwood-Cuevas, Wahab, Weber Pierson

NO VOTE RECORDED: Hurtado

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

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**SUBJECT:** Department of Technology: inventory: high-risk automated decision systems

**SOURCE:** Author

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**DIGEST:** This bill extends, until January 1, 2032, the requirement that the California Department of Technology (CDT) annually submit a report to the Legislature on the comprehensive inventory of all high-risk automated decision systems (ADS) that have been or are being used, developed, or procured by a state agency.

**ANALYSIS:**

Existing law:

- 1) Requires CDT, on or before September 1, 2024, to conduct, in coordination with other interagency bodies as it deems appropriate, a comprehensive

inventory of all high-risk ADS that have been proposed for use, development, or procurement by, or are being used, developed, or procured by, any agency.

- 2) Defines a “high-risk ADS” to mean 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.
- 3) Requires CDT, on or before January 1, 2025, and annually thereafter, to submit a report of the comprehensive inventory described above to the Assembly Committee on Privacy and Consumer Protection and the Senate Committee on Governmental Organization.

This bill extends, by three years from 2029 to 2032, the requirement that CDT submit a report to the Legislature, as specified, regarding the comprehensive inventory of all high-risk ADS that have been, or are being, used, developed, or procured by a state agency.

## **Background**

*Author Statement.* According to the author’s office, “organizations such as the GovAI Coalition and the NewDEAL Forum AI Task Force are systematically documenting best practices from California’s local agencies and peer jurisdictions nationwide. As evidence accumulates—both through implementation case studies demonstrating improved public service delivery and through emerging principles for responsible AI integration—pressure will mount for statewide deployment of these systems.

“A recent NewDEAL Forum report on AI in governance articulates this imperative clearly: governments at every level cannot remain passive observers fixated solely on regulation. State and local leaders must urgently model people-first AI governance to ensure the future of government serves the public good.

“According to the January 2025 report from CDT, ‘as required by GC 11546.45.5, CDT collected and reviewed data to assemble a high-risk algorithmic decision-making systems (ADS) inventory. Of the 198 of 204 State agencies providing responses, no high-risk ADS were reported.’

“Concurrently, the CDT is developing an innovative Project Delivery Lifecycle for systems procurement that emphasizes minimum viable products and iterative

scaling—an approach that will accelerate the deployment of AI solutions to address critical processing bottlenecks. Given the imminent adoption of high-risk ADSs across state operations, the Legislature has a fundamental responsibility to maintain rigorous oversight. SB 719 refines previously established accountability mechanisms for high-risk.”

*CDT’s High-Risk Automated Decision System Inventory.* AB 302 (Ward, Chapter 800, Statutes of 2023) requires CDT, until January 1, 2029, to annually submit a report of the comprehensive inventory of high-risk ADS to the Assembly Committee on Privacy and Consumer Protection and the Senate Committee on Governmental Organization. This comprehensive list includes all high-risk ADS that have been proposed for use, development, or procurement by, or are being used, developed, or procured by any state agency.

For the purposes of the inventory, statute defines “state agency” to mean any of the following: any state office, department, division, or bureau; the California State University; The Board of Parole Hearings; any board or other professional licensing and regulatory body under the administration or oversight of the California Department of Consumer Affairs. “State agency” does not include the University of California, the Legislature, the judicial branch, or any board, except as provided.

An “automated decision system” is defined 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 decision making 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.

A “high-risk” ADS means 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.

*Utilization of ADS.* Since the 1950s computers have advanced from being able to do basic processing to having the capacity to undertake complex, ambiguous, and highly skilled tasks. These systems range from simple rule-based tools to complex

artificial intelligence (AI), automating routine tasks while raising concerns about bias and transparency. Common applications include loan approvals, fraud detection, credit scoring, screening resumes, eligibility assessments for benefits, bail decisions in the justice system, resource allocation, dynamic pricing, and product recommendations. These systems have the potential to replace or support human decision-makers and rely heavily on data processing and analysis.

Of the 204 state agencies CDT canvassed pursuant to AB 302 (Ward, Chapter 800, Statutes of 2023) 198 agencies provided responses. This represents a 97% response rate. CDT sent weekly email reminders to state agencies leading up to the August 30th reporting deadline. After the deadline expired, CDT sent one more email reminder to state agencies that had not yet provided a response. Notably, 140 of 140 executive departments, 19 of 22 constitutional departments, 22 of 24 CSUs, and 17 of 18 independents provided responses.

CDT did not receive responses from the following state agencies that it canvassed: California State Summer School for the Arts; California State University, San Marcos; California State University, East Bay; Historical Records Advisory Board; California Secretary of State; and the Uniform Construction Cost Accounting Commission. For the state agencies that did not provide a response to the high-risk data collection request, CDT plans to make an executive level outreach to help ensure future compliance.

According to the initial [January 2025 CDT comprehensive inventory report](#), no state agency reported use of high-risk ADS. Although state agencies did not report high-risk ADS, CDT notes that it works with its state agency customers on their ADS, regardless of their risk level. CDT provides consultation for ADS risk assessment, as defined by existing law.

Risks vary based on use cases for ADS, the services of the state agency using ADS, and the specific data privacy requirements of the state agency using ADS, among other factors. CDT relies on National Institute of Standards and Technology (NIST) risk management best practices and definitions to identify risk areas for ADS. These best practices are considered the government standard for risk mitigation.

The report notes that “ADS can offer a wide variety of benefits to state agencies” including workforce productivity gains, workload scalability and consistency, faster decision-making, data-driven insights, and predictive capabilities. CDT further identifies the following – non exhaustive – risks based on use cases for

ADS: validity and reliability, safety, accountability and transparency, security and resiliency, explainability and interpretability, privacy, and fairness.

According to the January 2025 report, CDT is “fully committed to its mission to partner with state, local government, and educational entities to advance California’s technology and ensure secure, equitable, and reliable solutions through effective policy and oversight, statewide strategies, and innovative services. As such, CDT remains dedicated to ensuring the safe, ethical, and responsible implementation of technologies and as mandated by AB 302, will continue to provide reports to the Legislature and Administration on high-risk ADS systems annually until 2029.”

### **Related/Prior Legislation**

SB 420 (Padilla, 2025) regulates the use of high-risk ADS including requirements on developers and deployers to perform impact assessments on their systems, establishes the right of individuals to know when an ADS has been used, details about the systems, and an opportunity to appeal ADS decisions, where technically feasible. (Pending in the Assembly Privacy and Consumer Protection Committee)

SB 468 (Becker, 2025) imposes a duty on a business that deploys a high-risk AI system, or high-risk ADS, that, process personal information to protect that information and requires such a deployer to maintain a comprehensive information security program that meets specified requirements. (Pending in the Senate Appropriations Committee)

AB 1018 (Bauer-Kahan, 2025) regulates the use of ADS and places obligations on developers and deployers of such systems designed or used to make or facilitate “consequential decisions,” as specified. (Pending on the Senate Inactive File)

SB 892 (Padilla, 2024) would have required CDT to develop and adopt regulations to create an ADS procurement standard, as specified, and prohibited a state agency from procuring ADS, entering into a contract for ADS, or any service that utilizes ADS, until CDT has adopted regulations creating an ADS procurement standard, as specified. (Vetoed by Governor Newsom)

SB 896 (Dodd, Chapter 928, Statutes of 2024) the Generative Artificial Intelligence (GenAI) Accountability Act, among other things, codifies the requirement that CDT report to the Governor as specified in Executive Order N-12-23; requires the Office of Emergency Services (OES) to perform a risk analysis

of potential threats posed by the use of GenAI to California's critical infrastructure, as specified; and requires a entity, that is utilizing GenAI to directly communicate with a person regarding government services and benefits, to ensure that those communications include a disclaimer, as specified, and information describing how the person may contact a human employee.

AB 2885 (Bauer-Kahan, Chapter 843, Statutes of 2024) established, among other things, a uniform definition for "artificial intelligence" in statute, as specified.

SCR 17 (Dodd, Res. Chapter 135, Statutes of 2023) commits the Legislature to examining and implementing the principles outlined in the *Blueprint for an Artificial Intelligence Bill of Rights*, published in October 2022, by the White House Office of Science and Technology Policy, as specified.

AB 302 (Ward, Chapter 800, Statutes of 2023) requires CDT to conduct an inventory of all high-risk ADS being used in state agencies by September 1, 2024, and requires CDT to report to the Legislature on that inventory January 1 of each year until 2029.

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

**SUPPORT:** (Verified 1/20/26)

None received

**OPPOSITION:** (Verified 1/20/26)

None received

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