

UNFINISHED BUSINESS

Bill No: SB 903
Author: Padilla (D), et al.
Amended: 8/21/26
Vote: 21

SENATE BUS., PROF. & ECON. DEV. COMMITTEE: 11-0, 4/13/26
AYES: Wahab, Choi, Archuleta, Arreguín, Caballero, Grayson, Menjivar, Niello,
Smallwood-Cuevas, Strickland, Umberg

SENATE PRIV., DIGITAL TECH. & CONS. PROT. COMMITTEE: 8-0, 4/20/26
AYES: Cabaldon, Gonzalez, McNerney, Padilla, Reyes, Seyarto, Umberg, Wiener
NO VOTE RECORDED: Jones

SENATE APPROPRIATIONS COMMITTEE: 7-0, 5/14/26
AYES: Cervantes, Seyarto, Cabaldon, Dahle, Grayson, Richardson, Wahab

SENATE FLOOR: 39-0, 5/19/26
AYES: Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear,
Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez,
Grayson, Grove, Hurtado, Jones, Laird, Limón, McGuire, McNerney, Menjivar,
Ochoa Bogh, Padilla, Pérez, Reyes, Richardson, Rubio, Seyarto, Smallwood-
Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener
NO VOTE RECORDED: Niello

ASSEMBLY FLOOR: Passed, 8/30/26

SUBJECT: Mental health professionals: artificial intelligence

SOURCE: California Association of Marriage and Family Therapists
California Behavioral Health Association
California Psychological Association
National United Healthcare Workers

DIGEST: This bill 1) prohibits individuals, corporations, or entities from using, advertising, or offering psychotherapy services, including through artificial intelligence (AI), unless conducted by a licensed health care professional, as defined; 2) authorizes licensed health care professionals to use AI for limited administrative or supplementary support, as indicated; and 3) provides state licensing boards and enforcement agencies the authority to pursue legal recourse for any violations.

Assembly Amendments update definitions, clarify provisions related to consent, make conforming changes related to confidentiality of medical information, make various prohibitions related to the operations of and advertising by AI companies, limit activities of AI systems unless certain requirements have been met, and prohibit licensees from having action taken against them for actions undertaken by AI.

ANALYSIS:

Existing law:

- 1) Defines “Artificial intelligence” or “AI” 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. (Government Code (GC) § 11546.45.5)
- 2) Defines “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 (GC § 11549.64(b))
- 3) Defines “Companion chatbot” to mean an AI system with a natural language interface that provides adaptive, human-like responses to user inputs and is capable of meeting a user’s social needs, including by exhibiting anthropomorphic features and being able to sustain a relationship across multiple interactions. Does not include a bot that is used only for customer service purposes. (Business and Professions Code (BPC) § 22601 (b 1-2))

This bill:

- 1) Defines for purposes of this bill the following: licensed professional, administrative support, artificial intelligence, companion chatbot, consent, licensed professional, peer support, psychotherapeutic communication,

psychotherapeutic services, religious counseling, supplementary support and triage or screening, as specified.

- 2) Allows an individual, corporation, or entity that provides or facilitates psychotherapy services to use AI tools or systems only to assist in providing administrative support or supplementary support in psychotherapy services, provided the use of those tools or systems are carried out in a manner consistent with applicable law.
- 3) Prohibits an individual, corporation, or entity to engage in the use of AI to record or transcribe therapeutic communications, psychotherapy sessions or triage/screening unless the patient or legally authorized representative is informed in writing or verbally that AI will be used; the specific purpose of the AI tool or system that will be used, and the patient or client or legally authorized representative provides consent to the use of AI. If consent is not given to use AI, the patient or client does not surrender any of their rights to care.
- 4) Prohibits an individual, corporation, or entity from advertising, or otherwise offering psychotherapy services when the services are provided using companion chatbots or by claiming the companion chatbot is a therapist or provides therapy.
- 5) Prohibits an individual, corporation, or entity when used in connection with the provision of psychotherapy services or conducting triage or screening, from allowing AI to do any of the following without review and approval by a licensed professional: make therapeutic decisions; directly interact with clients in any form of psychotherapeutic communication unless the tool or system is approved or cleared with the FDA guidance for low-risk general wellness products or clinical support software, and is compliant with HIPAA; generate therapeutic recommendations, assessment results, diagnoses, or treatment plans; detect emotions or mental states; or perform triage or screening.
- 6) Requires a licensed professional when using AI in connection with psychotherapy services, or triage or screening to maintain responsibility for ensuring that they or anyone under their supervision uses the AI in a clinically appropriate manner that is compliant with this bill.
- 7) Requires an employer or contracting entity, when a licensed professional uses artificial intelligence for psychotherapy services, that has been required and authorized by an employing or contracting entity, to be responsible for ensuring

the artificial intelligence is used in compliance with the provisions of this bill; and directs the licensed professional to use AI in compliance with the provisions of this bill.

- 8) States that a licensed professional is not subject to discipline or any other enforcement action under this chapter for a violation that results from any feature, configuration, function, or other element of an artificial intelligence tool or system that is not within the control of the licensed professional if the use is required by the licensed professional's employer or contracting entity, including a violation that results solely from a function or element that prevents the licensed professional from using the tool or system in compliance with this chapter. The licensed professional's required use of the tool or system is not considered a cause of the violation, for purposes of this section.
- 9) Authorizes the use of AI, without requiring prior review and approval by a licensed professional to do the following: recommend in response to an individual's articulated expression of serious mental health concerns, that the individual discuss their need for psychotherapy services with a licensed professional; administer a standardized screening questionnaire to an individual, collect the individual's responses, score them in accordance with the instrument's standardized scoring rules, and transmit the responses and any resulting score to a licensed professional for review, provided that the artificial intelligence tool or system does not use the responses or score to assess, evaluate, advise, inform, or make any decision regarding the condition of the individual or the urgency, clinical nature, or appropriate level of the individual's need for psychotherapy services; schedule confirm, cancel, or send reminders regarding appointments, or provide logistical information in preparation for a visit, provided that those functions do not involve psychotherapeutic communication and do not constitute triage or screening.
- 10) Requires the use of AI in patient or client records for psychotherapy services to comply with the CMIA. Prohibits a company or entity from sharing, selling, storing, or training their models on any data obtained from psychotherapy in a manner inconsistent with any applicable law.
- 11) Authorizes the appropriate health care professional licensing board or enforcement agency to do the following: pursue an injunction or restraining order to enforce the provisions of this bill; retain the authority to pursue any remedy otherwise authorized under the law; and adopt rules and regulations necessary to implement any provisions that are consistent with this bill; states

that the Director of the Department of Consumer Affairs or their designee shall determine the appropriate health care professional licensing board or enforcement agency, if jurisdiction is unclear.

- 12) Exempts religious counseling, peer support, self-help materials, educational resources that are available to the public and do not offer psychotherapy services, AI systems used solely for training or simulation purposes, and research as defined.

Background

Digital Mental Health Applications. As AI continues to evolve in mental health care, so do digital mental health applications. Scripted digital mental health applications are often, but not always, designed with input from trained professionals that incorporate built-in protocols to ensure that responses to users are verified. These are unregulated digital mental health platforms that do not make medical claims but are developed to address mental health concerns and emotional well-being. Applications like Wysa, and Woebot use AI chatbots to provide mental health support to users in the form of effective and practical evidenced based therapies such as cognitive behavioral health therapy to quell anxiety, provide reframing of negative thoughts to alleviate depressive symptoms, track mood, as well as provide mindfulness exercises for general wellness, amongst other things.

AI chatbots are effective at providing users with immediate support to address a myriad of mental health concerns allowing for a welcoming environment that encourages unconstrained conversations and a reduced feeling of perceived stigma. According to an article in ScienceDirect, “honest responding is particularly valuable in mental health settings due to the intimate nature of information required” and “participants who believe they are interacting with a computer versus a human operator reported lower fear of self-disclosure, lower impression management and were more willing to disclose.” The study concluded that human interaction could interfere with an individual’s ability to be forthright when disclosing personal information and perceived anonymity with a computer-monitored application gives the illusion of privacy decreasing the risk of embarrassment and judgement. Easy, accessibility, the ability to reach a wider demographic with low to no costs, combined with the popularity of utilizing a text-based modality makes AI chatbot applications very appealing to users.

A second type of digital mental health application uses Generative AI chatbots also known as companion apps which produce a more human like response when

deployed by users. These unregulated companion apps also do not claim to be developed to address mental health concerns but are designed to provide users with an interactive avatar like companion. Replika is an AI companion that provides emotional support, conversation and a certain level of companionship to often alleviate a user's perceived loneliness and create a safe space free of judgment. Users can personalize their avatar's appearance and define their relationship creating a sense of a proprietary companion. These companion applications are very popular amongst users encouraging roleplaying with some users developing an intense emotional attachment with their AI companion which can result in an unhealthy relationship. For users that are emotionally distressed or psychologically vulnerable these immersive companions can cause serious harm. Young users are especially susceptible to companion apps that can use inappropriate dialogue including sexual content, substance use, trivialize bullying behavior, and in some cases encourage self-harm with several young users committing suicide after allegedly receiving advice and instructions on how to self-harm from their AI companion.

Clearly, AI chatbots have not had the same education or specialized training as licensed health care professionals and are not legally obligated to follow the same ethical guidelines that require mandated reporting of any potential harm to self or others or maintain patient confidentiality. Ideally, individuals that utilize mental health apps would do so in conjunction with a therapeutic relationship with a licensed mental health professional. Since that is often not the case for most, extreme caution should be exercised when utilizing any type of digital mental health application as they are not designed or intended to provide clinical feedback or treatment and often do not include adequate safety protocols to protect individuals from harm which is why it remains crucial that this technology is regulated.

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

According to the Assembly Appropriations Committee, the bill will result in costs of an unknown amount to BBS, which anticipates an increase in complaint volume and related enforcement costs but are unable to estimate the fiscal effect. The Board of Psychology and the Medical Board of California (MBC) also anticipate increased complaints but expect costs to be minor and absorbable. However, the MBC notes that if it is required to pursue an injunction as a result of this bill, the costs might not be absorbable.

SUPPORT: (Verified 8/24/26)

California Association of Marriage and Family Therapists (co-source)
California Behavioral Health Association (co-source)
California Board of Psychology (co-source)
National United Healthcare Workers (co-source)
Alameda Labor Council
Alliance for Children's Rights
Association of Community Human Services Agency
Board of Registered Nursing
California Alliance of Child and Family Services
California Association of School Counselors
California Association of School Psychologists
California Coalition for Behavioral Health
California Conference of Machinists
California Consortium of Addiction Programs and Professionals
California Federation of Labor Unions, AFL-CIO
California Institute for Behavioral Health Solutions
California Long Term Care Ombudsman Association
California Pan Ethnic Health Network
California Peer Watch
California Psychological Association
California State PTA
CFT, A Union of Educators & Classified Professions, AFL-CIO
Children's Institute, INC
Contra Costa Central Labor Council
County Behavioral Health Directors Association
El Hogar Community Services
Engineers and Scientists of California, IFPTE Local 20, AFL-CIO
Hope Cooperative
Inland Empire Labor Council, AFL-CIO
Kings View
Mental Health America of California
Oakland Privacy
Osteopathic Medical Board of California
Pacific Clinics
Pathpoint
Portia Bell Hume Behavioral Health and Training Center
Power California Action
Safe Passages
San Diego & Imperial Counties Labor Council

SEIU California
Shields for Families
Sistahfriends
Southern California Health & Rehabilitation Program
Stars Behavioral Health Group
Steinberg Institute
Tarzana Treatment Centers, INC.
Techequity Action
The California Association of Local Behavioral Health Boards and Commissions
The Village Family Service
Turning Point Community Programs
UFCW - Western States Council
Wellspace Health

OPPOSITION: (Verified 8/11/26)

Ata Action
California Chamber of Commerce
California Hospital Association
California Medical Association
Technet
Teladoc Health, Inc.
Timelycare

ARGUMENTS IN SUPPORT: Supporters state that AI tools marketed as “AI Therapists” may offer convenience and accessibility, but they also lack the clinical training, professional oversight and ethical obligations required to safely deliver mental health treatment. Establishing clear safeguards governing the use of artificial intelligence in delivering psychotherapy services is paramount in protecting consumers from harm. SB 903 prevents AI from making independent therapeutic decisions or engaging in clinical communications that could influence diagnosis, treatment planning, or client safety. These provisions reinforce the essential role of licensed practitioners and ensure that AI remains a supportive tool rather than a replacement for human expertise.

ARGUMENTS IN OPPOSITION: Opponents note that the bill remains overly restrictive and prevents licensed clinicians from using beneficial AI tools that are widely accepted and consistent with their scope of practice, stating clinicians should be able to use AI as a clinician tool under their professional judgement and oversight, not merely for background support functions.

Prepared by: Anna Billy / B., P. & E.D. /
8/30/26 20:08:44

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