
SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

SB 947 (McNerney) - Employment: automated decision systems

Version: April 22, 2026

Policy Vote: L., P.E. & R. 3 - 1, P., D.T., &
C.P. 7 - 2

Urgency: No

Mandate: No

Hearing Date: May 14, 2026

Consultant: Robert Ingenito

Bill Summary: SB 947 would (1) prohibit an employer from using an automated decision system (ADS) that does certain functions and limits the purposes and manner in which an ADS may be used to make disciplinary, termination, or deactivation decisions, (2) grant a worker access to their own data collected or used by an ADS, as specified, (3) require an employer to provide a written ADS postuse notice, as specified, (4) includes worker anti-retaliation provisions for the exercise of these rights, (5) require enforcement through the Labor Commissioner (LC) or authorized public prosecutor, (6) prescribes penalties and remedies for violations, including civil actions.

******* ANALYSIS ADDENDUM – SUSPENSE FILE *******

**The following information is revised to reflect amendments
adopted by the committee on May 14, 2026**

Fiscal Impact:

- The Department of Industrial Relations (DIR) has yet to determine its administrative impacts that would result from this bill. However, based on the department's costing of similar legislation, DIR's annual administrative costs, at a minimum, would likely be in the millions of dollars (Labor Enforcement and Compliance Fund).
- This bill could result in an increased number of civil actions. Consequently, the bill could result in potentially significant cost pressures to the courts; the magnitude is unknown (Trial Court Trust Fund (TCTF)). The specific number of new actions that could be filed under the bill also is unknown; however, it generally costs about \$10,500 to operate a courtroom for an eight-hour day. Courts are not funded on the basis of workload, and increased pressure on TCTF may create a need for increased funding for courts from the General Fund. The proposed 2026-27 budget includes \$70 million in ongoing support from the General Fund to continue to backfill TCTF for revenue declines.
- This bill could result in increased penalty revenue to the State. The magnitude is unknown.

Author Amendments:

- Modify the definition of "predictive behavior analysis" as specified.
- Make clarifying changes.

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