Date of Hearing: July 8, 2025 Fiscal: Yes

ASSEMBLY COMMITTEE ON PRIVACY AND CONSUMER PROTECTION Rebecca Bauer-Kahan, Chair SB 69 (McNerney) – As Amended June 23, 2025

SENATE VOTE: 35-0

SUBJECT: Artificial intelligence program: Attorney General

SYNOPSIS

As artificial intelligence (AI) becomes increasingly integrated into society, the Legislature has worked to keep pace through the introduction and enactment of numerous bills over the past decade. However, the rapid evolution of AI technologies continues to outpace the legislative process, which can lead to the Attorney General needing to interpret and apply existing laws to new and complex applications of AI, an effort that may demand significant subject matter expertise.

This author-sponsored bill seeks to equip the Attorney General and the Department of Justice (DOJ) with the necessary skills and knowledge to effectively enforce the law in the context of AI. Specifically, the bill would require the Attorney General to establish and maintain a program aimed at building internal expertise in AI. This program would include the creation of a specialized team within the DOJ focused on AI, the recruitment of technical experts, and the training of DOJ staff to develop deeper subject matter proficiency.

In addition, the bill would promote collaboration between the DOJ and academic institutions, civil rights organizations, technical experts, and other state agencies to ensure the DOJ remains well-informed on the latest technological developments and their legal implications. Finally, the bill requires the Attorney General to submit an annual report to the Legislature outlining key developments in AI law and policy and providing legislative recommendations.

This bill is supported by the Transparency Coalition.AI. If passed by this Committee, the bill will next be heard by Assembly Judiciary Committee.

THIS BILL:

- 1) Requires the Attorney General to establish and maintain a program to build internal expertise in artificial intelligence, including its applications, risks, regulatory implications, and civil rights impacts.
- 2) Requires the program described in 1) to include, but does not limit it, to all of the following:
 - a. Designating a team or office within the Department of Justice that is responsible for AI-related legal and policy issues.
 - b. Recruiting or training legal and technical staff with specialized knowledge in artificial intelligence, machine learning, and automated decision systems.

- c. Collaborating with academic institutions, civil rights organizations, and technical experts to support evidence-based analysis of artificial intelligence systems.
- d. Collaborating with state agencies, including, but not limited to, the Department of Technology and the Government Operations Agency.
- 3) Requires the Attorney General to submit, a public report to the Legislature describing the department's activities under the bill, key developments in artificial intelligence law and policy, and recommendations for additional state oversight or safeguards annually beginning on or before July 1, 2027.

EXISTING LAW:

- 1) Establishes the Attorney General as a position that shall be elected in cycles concomitant with gubernatorial elections. (Cal. Const., art. V § 11.)
- 2) Establishes the Attorney General as the chief law officer of the State and requires the Attorney General to see that the laws of the State are uniformly and adequately enforced. (Cal. Const., art. V § 13.)
- 3) Defines "artificial intelligence" 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. (Gov. Code § 11546.45.5.)

COMMENTS:

1) Author's statement. According to the author:

Artificial intelligence is advancing at an unprecedented pace and already impacting nearly every aspect of daily life. Yet our state institutions lack the capacity and expertise to fully understand these powerful technologies. This bill addresses a critical gap in state law by establishing a dedicated program within the California Department of Justice to build internal AI expertise.

2) **AI-related legislation.** Over the past several legislative sessions, numerous bills have been passed addressing artificial intelligence, including a bill enacted last year that provided a definition of AI (AB 331, Bauer-Kahan, Ch. 843, Stats. 2024). This legislative cycle, several bills have been introduced that would grant the Attorney General, as well as other public prosecutors, the authority to enforce various AI-related measures. These include proposals targeting algorithmic price-fixing (AB 325, Aguiar-Curry; SB 52, Perez; SB 295, Wahab; and SB 384, Hurtado), including algorithms powered by AI.

Several bills (AB 1018, Bauer-Kahan; SB 7, McNerney; and SB 420, Padilla) aim to regulate the use of automated decision systems in consequential contexts to ensure compliance with antidiscrimination laws. Additional measures granting enforcement authority to the Attorney General include legislation focused on companion chatbots (AB 1064, Bauer-Kahan and SB 243, Padilla), disclosure requirements for chatbots (AB 410, Wilson), labeling of AI-generated content (AB 853, Wicks), and restrictions on deceptive uses of AI in elections (AB 502, Pellerin and Berman). Many of these proposals would require applying existing or newly established legal frameworks to rapidly evolving AI technologies. As such, specialized technical and legal expertise may be necessary to "uniformly and adequately" enforce the law.

3) What this bill would do. This bill seeks to ensure that the Attorney General has sufficient expertise in AI to address emerging legal and policy challenges at the intersection of AI and the law. Specifically, the bill would require the Attorney General to establish and maintain a program to develop internal expertise in AI, including its applications, risks, regulatory considerations, and civil rights implications.

As part of this effort, the Department of Justice (DOJ) would be required to establish a dedicated office responsible for legal and policy issues related to AI. The program would also mandate the recruitment and training of legal staff in various AI technologies and applications, as well as encourage collaboration with academic institutions, civil society organizations, and technical experts to support and enhance this training.

Additionally, the DOJ would be required to coordinate with other state agencies, such as the Department of Technology and the Government Operations Agency, in establishing and implementing the program. Beginning on or before July 1, 2027, the Attorney General would be required to submit an annual public report to the Legislature detailing the department's activities under the bill, key developments in AI law and policy, and recommendations for additional state oversight or safeguards.

ARGUMENTS IN SUPPORT: The Transparency Coalition.AI write in support:

SB 69 establishes a much-needed program within the California Department of Justice (DOJ) to build internal expertise in artificial intelligence. By designating a team focused on AI-related legal and policy issues, recruiting and training technical staff, and fostering partnerships with civil rights and academic institutions, this bill ensures that the DOJ is well-equipped to understand and respond to the rapidly evolving AI landscape.

As artificial intelligence systems become increasingly embedded in decision-making processes that impact Californians' lives—from criminal justice to healthcare to employment—the state must ensure these systems are subject to legal scrutiny, civil rights protections, and informed oversight. Without internal expertise, the DOJ risks falling behind the private sector and losing the ability to hold systems accountable when harms arise or civil liberties are at risk.

Specifically, SB 69 will: a) Establish an AI expertise program within the Department of Justice; b) Designate a team to lead on AI-related legal and policy issues; c) Recruit or train staff with specialized AI knowledge; d) Facilitate collaboration with experts, civil rights groups, and academic institutions c) Coordinate with key state agencies on AI oversight.

SB 69 offers a proactive and responsible solution. It lays the foundation for long-term institutional knowledge and interagency collaboration, helping to position California as a leader in AI governance and legal accountability.

Thank you for your leadership in this important measure. We strongly urge your "AYE" vote on SB 69.

REGISTERED SUPPORT / OPPOSITION:

Support

California Electric Transportation Coalition Transparency Coalition.ai Union of Concerned Scientists

Opposition

None on file.

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