

Introduced by Senator CabaldonFebruary 19, 2026

An act to add Chapter 6 (commencing with Section 12898) to Part 2.5 of Division 3 of Title 2 of the Government Code, relating to automated decision systems.

LEGISLATIVE COUNSEL'S DIGEST

SB 1248, as introduced, Cabaldon. State agencies: automated decision systems.

Existing law establishes the Government Operations Agency (GovOps), and establishes within the agency the Department of Technology. Existing law requires the Department of Technology to conduct, in coordination with other interagency bodies as it deems appropriate, a comprehensive inventory of all high-risk automated decision systems that have been proposed for use, development, or procurement by, or are being used, developed, or procured by, any state agency. Existing law defines, for these purposes, an "automated decision system" as, among other things, a computational process that is used to assist or replace human discretionary decisionmaking and materially impacts natural persons.

Existing law establishes various public assistance and social programs administered by state agencies, including the Department of Social Services and the Employment Development Department. Existing law provides for the licensure and regulation of specified professions and vocations by boards and bureaus within the Department of Consumer Affairs.

This bill would impose certain restrictions on the use of an automated decision system by a state agency to confer services, defined as, among other things, the issuance of professional licenses and provision of

public benefits. Among the restrictions, the bill would include a prohibition on using an output from the system as the sole basis for an adverse service determination affecting a natural person, except as specified. The bill would require the state agency to verify the accuracy of the system's outputs and to promote nondiscrimination in its use, as specified. The bill would require the director or designee of a state agency to provide for quality control review of the outputs, as specified, to assure acceptable accuracy.

This bill would authorize GovOps to develop, adopt, and make publicly available guidance for a state agency's use of automated decision systems. The bill would require GovOps to notify the Joint Legislative Budget Committee before issuing the guidance. The bill would require GovOps to provide technical assistance to state agencies upon request. The bill would define terms for purposes of its provisions and would make related findings and declarations.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares all of the
- 2 following:
- 3 (a) California's residents and businesses increasingly conduct
- 4 transactions at unprecedented speeds, with private sector services
- 5 such as loan approvals, insurance applications, and consumer
- 6 purchases now processed in minutes or seconds through automated
- 7 systems. Government services have not kept pace with these
- 8 technological advances, creating a disconnect between public
- 9 expectations and the reality of government service delivery.
- 10 (b) Delays in processing professional license applications,
- 11 credential verifications, and occupational certifications impose
- 12 significant hardships on California residents. Nurses, teachers,
- 13 contractors, cosmetologists, and other professionals face prolonged
- 14 delays in receiving licenses necessary to begin or continue working,
- 15 which creates economic hardship and workforce shortages.
- 16 Businesses cannot operate while waiting for required professional
- 17 credentials, and California's economy suffers when qualified
- 18 individuals are prevented from contributing their skills due to
- 19 administrative backlogs.

1 (c) Automatic decisionmaking systems, when properly designed
2 with appropriate safeguards, transparency measures, and human
3 oversight mechanisms, have the potential to dramatically reduce
4 processing times for routine governmental decisions while
5 maintaining accuracy and fairness. These systems can enable state
6 agencies to redirect limited staff resources from repetitive
7 administrative tasks to complex cases requiring human judgment
8 and to providing enhanced customer service.

9 (d) The deployment of automated decisionmaking technology
10 in government services must be accompanied by robust protections
11 to ensure equity, prevent algorithmic bias, protect individual
12 privacy, and preserve meaningful human review and appeal rights.
13 The benefits of speed and efficiency must not come at the expense
14 of due process, equal protection, or the fundamental principle that
15 government remains accountable to the people it serves.

16 (e) Authorizing state agencies to utilize automatic
17 decisionmaking systems for professional licensing, occupational
18 credentialing, and benefits determination in state-administered
19 programs, subject to appropriate standards and oversight, will
20 modernize California’s public service infrastructure, reduce
21 administrative burdens on both government and residents, and
22 ensure that government responsiveness reflects the technological
23 capabilities and expectations of the twenty-first century.

24 (f) California operates over 40 professional licensing boards,
25 bureaus, and programs under the Department of Consumer Affairs,
26 regulating more than 200 occupations and professions. These
27 entities process hundreds of thousands of license applications,
28 renewals, and verifications annually. Automatic decisionmaking
29 systems provide state agencies the technological means to meet
30 statutory processing timelines while ensuring consistent and fair
31 application of licensing criteria and professional standards.

32 SEC. 2. Chapter 6 (commencing with Section 12898) is added
33 to Part 2.5 of Division 3 of Title 2 of the Government Code, to
34 read:

35

36 CHAPTER 6. AUTOMATED DECISION SYSTEMS

37

38 12898. For purposes of this chapter, the following definitions
39 apply:

1 (a) “Artificial intelligence” means an engineered or
2 machine-based system that varies in its level of autonomy and that
3 can, for explicit or implicit objectives, infer from the input it
4 receives how to generate outputs that can influence physical or
5 virtual environments.

6 (b) “Automated decision system” means a computational process
7 derived from machine learning, statistical modeling, data analytics,
8 or artificial intelligence that issues simplified output, including a
9 score, classification, or recommendation, that is used to assist or
10 replace human discretionary decisionmaking and materially impacts
11 natural persons. “Automated decision system” does not include a
12 spam email filter, firewall, antivirus software, identity and access
13 management tools, calculator, database, dataset, or other
14 compilation of data.

15 (c) “Legally protected information” means information that a
16 person is prohibited from disclosing under federal or state law,
17 including provisions of the Evidence Code relating to privilege,
18 or that would result in a violation of a legal duty of confidentiality.

19 (d) “State agency” has the same meaning as in Section 11000.

20 (e) “Personally identifiable information” means an individual’s
21 residential address, telephone number, social security number,
22 driver’s license number, state identification card number, passport
23 number, license plate number, vehicle registration information for
24 a motor vehicle owned or leased by the individual, and information
25 regarding an individual’s precise geolocation, as defined in Section
26 1798.140 of the Civil Code.

27 (f) “Protected health information” has the same meaning as
28 defined in Section 160.103 of Title 45 of the Code of Federal
29 Regulations.

30 (g) “Services” means both of the following:

31 (1) Services, benefits, or assistance, whether provided in cash
32 or in kind, that a state agency provides or administers, including,
33 but not limited to, social services, linkages to programs
34 administered by the federal Social Security Administration,
35 vocational and education-related services, and employment
36 assistance.

37 (2) Issuance, renewal, denial, or suspension of a professional
38 license or occupational credential.

1 12898.1. If a state agency uses an automated decision system
2 for services, not including competitive determinations, the state
3 agency shall comply with all of the following:

4 (a) The state agency may use an automated decision system to
5 inform its decisionmaking process. The state agency shall not
6 substitute the outputs of an automated decision system for human
7 judgment.

8 (b) When an automated decision system is used to assist in a
9 decisionmaking process, the system shall be only one of the factors
10 a user considers in reaching a decision. The state agency may use
11 an automated decision system to ascertain whether a services
12 application or submission meets minimum eligibility thresholds
13 as predetermined by the state agency.

14 (c) The state agency shall not use an output from an automated
15 decision system as the sole basis for an adverse service
16 determination affecting a natural person, such as denial of a benefit
17 or license, except as expressly authorized by federal or state law.

18 (d) The state agency shall require that any output of an
19 automated decision system that suggests noneligibility or other
20 adverse action be reviewed by a human before any adverse action
21 is taken.

22 (e) A state agency's user shall not represent work generated
23 solely by an automated decision system as the user's own original
24 work.

25 (f) When the use of an automated decision system is material
26 to a decision, the state agency shall provide a means, consistent
27 with applicable law, to document or disclose that the system was
28 used in the decisionmaking process.

29 (g) The state agency shall verify the accuracy of an automated
30 decision system's outputs, and shall promote nondiscrimination
31 in its use of an automated decision system, by doing all of the
32 following:

33 (1) Ensure content, recommendations, or other outputs generated
34 by an automated decision system that may materially affect service
35 levels are reviewed and verified by an employee of the state
36 agency, or by another authorized person, for accuracy before being
37 relied upon.

38 (2) Monitor and periodically evaluate the use of automated
39 decision systems to reduce the risk that outputs contain or
40 perpetuate bias, including bias based on race, color, religion, sex,

1 gender, gender identity, gender expression, sexual orientation,
2 marital status, national origin, ancestry, age, disability, medical
3 condition, genetic information, immigration or citizenship status,
4 or any other characteristic protected by federal or state law.

5 (3) Require that an application or submission contain all required
6 fields, attachments, or information in the required format.

7 (h) The state agency shall safeguard personally identifiable
8 information, protected health information, or other legally protected
9 information by prohibiting a user of the automated decisions system
10 from inputting, uploading, or otherwise disclosing the information
11 to an automated decision system, except where necessary for
12 services administration or delivery, as authorized by law and
13 subject to appropriate safeguards. For third-party systems, a state
14 agency shall employ safeguards that may include access controls
15 and appropriate security standards.

16 (i) The state agency’s director or designee shall provide for an
17 initial and subsequent periodic quality control review of the outputs
18 of the automated decision system, or a statistically valid represented
19 sample thereof to assure acceptable accuracy.

20 12898.2 The Government Operations Agency, in collaboration
21 with any other state entity the agency deems appropriate, may
22 develop, adopt, and make publicly available guidance for a state
23 agency’s use of automated decision systems consistent with this
24 chapter. Before issuing the guidance, the agency shall notify the
25 Joint Legislative Budget Committee of its decision to issue
26 guidance.

27 12898.3 The Government Operations Agency may provide
28 technical assistance to state agencies to comply with this chapter.