California Governor Signs 18 Al Bills Into Law

OCTOBER 1, 2024 Dan Jasnow

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On September 29, California Governor Gavin Newsom vetoed SB 1047, one of the most ambitious efforts yet to establish a comprehensive artificial intelligence (AI) regulatory framework in the United States. But for all of the attention on SB 1047, it is the 18 other AI bills Newsom signed in September that are likely to have the most lasting impact.

Below is a high-level summary of those laws.

Media and Entertainment

- 1. AB 2602 establishes heightened consent requirements for the use of "digital replicas" in media and entertainment content. Specifically, a contract authorizing the use of an actor's digital replica must include a "reasonably specific description" of the proposed use and the actor must be represented by legal counsel or by a labor union. Failure to adhere to these requirements will render the actor's contract unenforceable, unless the uses are otherwise consistent with the terms of the actor's contract and the underlying work.
- 2. AB 1836 prohibits the unauthorized commercial use of a deceased person's digital replica and imposes statutory damages in an amount equal to the greater of \$10,000 or the actual damages suffered.

Training Data Disclosure

3. AB 2013, the Artificial Intelligence Training Data Transparency Act, requires Al developers to disclose information on their websites about their training data on or before January 1, 2026, including a high-level summary of the datasets used in the development of the Al system or service.

Watermarking

4. SB 942, the California Al Transparency Act, requires major Al developers to create and make freely available Al detection tools, to include watermarks in all content generated by their Al systems, to require by contract that any third-party licensees using the Generative Al (GenAl) system maintain the system's watermarking functionality, and to terminate third-party licenses within 72 hours of becoming aware that the third-party licensee has disabled watermarking.

AI Safety

5. SB 896, the Generative Artificial Intelligence Accountability Act, requires the state to produce a report on the benefits and risks of GenAl tools, and requires state agencies to disclose when GenAl is used in online customer interfaces or by phone.

Privacy

6. AB 1008 amends the California Consumer Privacy Act to specify that the law applies to use of personal information in connection with AI systems capable of outputting personal information.

Education

- 7. AB 2876 requires the state to consider adding Al literacy to state curriculum standards.
- 8. SB 1288 requires the state superintendent to convene working groups on AI in public schools and develop guidance on the safe use of AI in education by no later than January 1, 2026.

Health Care and Insurance

- 9. AB 3030 requires health care providers to disclose when using GenAl tools to communicate with patients.
- 10. SB 1120 requires health insurers to ensure that licensed physicians supervise the use of Al tools that make decisions about health care services and insurance claims.

Telemarketing

11. AB 2905 requires disclosure when Al-generated synthetic voices are used in telemarketing calls.

Establishing a Uniform Definition

12. AB 2885 creates the following uniform definition for the term "artificial intelligence": "Artificial intelligence' means 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."

Deepfakes and Pornography

- 13. AB 1831 prohibits the use of AI in the creation of child pornography.
- 14. SB 926 establishes criminal penalties for the creation of deepfake pornography.
- 15. SB 981 requires social media platforms to provide a reporting mechanism for deepfake pornography and to "immediately" remove such content from their platforms.

Elections and Disinformation

- 16. AB 2655, the Defending Democracy from Deepfake Deception Act, requires large online platforms to block the posting of election disinformation during specified periods before and after an election and to label certain additional content as inauthentic, fake, or false. The bill also requires platforms to develop reporting procedures for such content.
- 17. AB 2839 prohibits distribution with malice of campaign advertisements and other election-related communications that contain materially deceptive content.
- 18. AB 2355 requires disclosure on any campaign advertisements made in whole or in part using Al.

For questions about these or other Al-related legal or regulatory issues, please contact Dan Jasnow or the AFS professional who handles your matters.



Dan JasnowPARTNER AND AI, METAVERSE & BLOCKCHAIN
INDUSTRY GROUP CO-LEADER

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