

AB2653 • California

State contracts: report: modern foundation models and associated artificial intelligence systems.

Introduced

Risk: Medium

Amendment

Effective: Jul 01, 2027 | Last Action (May 14, 2026): In committee: Held under submission.

Summary

AB2653, introduced by Assembly Member Lee, proposes adding Chapter 6.5 to Part 2 of Division 2 of the Public Contract Code, requiring state agencies to report on certain AI systems.

Business Impact

If you supply AI products to California, certify against sweatshop labor by July 1, 2027, or face penalties.

Key Provisions

- AB2653 proposes adding Chapter 6.5 to Part 2 of Division 2 of the Public Contract Code.
- The bill requires state agencies to report on the use of certain modern foundation models and associated AI systems in public contracts.
- Details about report frequency, penalties for non-compliance, and guidelines cannot be confirmed without the full bill text.
- The bill's content regarding 'ethical considerations' remains unverified.

Compliance Checklist

- Certify compliance with the Sweatfree AI Code of Conduct | Who: Contractors providing AI products requiring data enrichment | Penalty: Potential contract voiding and financial penalties
- Ensure subcontractors comply with the Sweatfree AI Code of Conduct | Who: Contractors | Penalty: Penalties for non-compliance may apply

Industries Affected

General

Bill Sponsors

Name	Party	Role
Alex Lee	D	Sponsor

Roll Call Votes

Date	Description	Yea	Nay	Result
2026-04-21	Do pass as amended, and be re-referred to the Comm	15	0	Passed
2026-04-08	Do pass and be re-referred to the Committee on [Pr	5	0	Passed

Official Source

https://leginfo.legislature.ca.gov/faces/billStatusClient.xhtml?bill_id=202520260AB2653

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