

Date of Hearing: April 14, 2026

ASSEMBLY COMMITTEE ON HIGHER EDUCATION

Mike Fong, Chair

AB 2504 (Bauer-Kahan) – As Amended April 6, 2026

[Note: This bill is double referred to the Assembly Committee on Privacy and Consumer Protection and will be heard by that Committee as it relates to issues under its jurisdiction.]

SUBJECT: Community colleges: artificial intelligence: employment dislocation: pilot programs

SUMMARY: Requires, upon appropriation, the Chancellor's Office of the California Community Colleges (CCCCO) to implement a pilot program on or before July 1, 2027, and to select up to 10 community college districts (CCD) to participate in the pilot program, as specified. Requires the CCCCCO, on or before January 1, 2032, to submit a report to the Legislature evaluating the effectiveness of the pilot program, as provided. Specifically, **this bill:**

- 1) States that it is the intent of the Legislature to do the following:
 - a) Support workers in California's creative and entertainment industries, including film, television, music, touring, and live events, who have been or are at risk of being displaced by generative artificial intelligence (AI), including sound engineers, voice actors, concept artists, and employees in entry-level positions, by providing structured reskilling and upskilling opportunities through the California Community Colleges (CCC);
 - b) Ensure that a pilot program at the CCC is designed and implemented with meaningful partnership between CCC and labor unions representing creative workers and with industry representatives, so that curriculum and training models reflect the real tools, conditions, and career pathways of the workforce being served; and,
 - c) Establish a coordinated, outcomes-driven model that CCC and workforce systems can replicate across sectors facing artificial intelligence-driven employment disruption.
- 2) Requires the CCCCCO to establish a pilot program, and requires that the pilot program be developed in partnership with labor unions representing creative workers and with industry representatives.
- 3) Requires that, on or before June 30, 2027, the CCCCCO establish eligibility criteria for community colleges seeking to apply to participate in the pilot program.
- 4) Specifies that the pilot program will be limited to up to 10 community college districts statewide, to be selected by the chancellor's office. In selecting community college districts for participation in the pilot program, the CCCCCO is encouraged to ensure that there is equitable access to the pilot program between the northern, central, and southern regions of the state.

- 5) Specifies that implementation of the pilot program will commence on or before July 1, 2027.
- 6) Requires, on or before January 1, 2032, the CCCCCO to submit a report to the Legislature evaluating the effectiveness of the pilot program at campuses maintained by community college districts participating in the pilot program. Additionally,
 - a) The report submitted must include, but not be limited to, the number of participants who completed the pilot program, disaggregated by student demographics.
 - b) The report submitted pursuant to must include outcomes and legislative recommendations.
 - c) The report submitted must be done in compliance with existing law, as specified.
- 7) Specifies that the provisions of this bill become operative only upon appropriation by the Legislature in the annual Budget Act or another statute for its purposes.
- 8) Sunsets the provisions on a date to be determined.

EXISTING LAW:

- 1) Establishes the CCC under the administration of the Board of Governors of the CCC, as one of the segments of public postsecondary education in this state. The CCC is comprised of community college districts (CCD). (Education Code (EDC) Section 70900)
- 2) Creates for each CCD a board of trustees, known as the governing board, and authorizes the governing board to establish, maintain, operate, and govern each CCC within their district in accordance with state and federal law, as specified. The governing board may initiate and carry on any program, activity, or may otherwise act in any manner that is not in conflict or inconsistent with any law and that is not in conflict with the purpose of a CCD, as specified. (EDC Section 70902)
- 3) Existing law establishes the California Online Community College, under the administration of the board of governors, for specified purposes, and requires the college to develop a Research and Development Unit to, among other things, focus on using technology, data science, behavioral science, machine learning, and artificial intelligence to build out student supports. (EDC Section 75000, et seq.)

FISCAL EFFECT: Unknown.

COMMENTS: *Purpose.* According to the author, “AB 2504 supports and upskills professional staff within the creative and entertainment industries by creating the Future of Creative Industries Pilot Program. The introduction and rapid advancement of generative artificial intelligence (GenAI) is fundamentally reshaping California's creative economy and the careers within it. Capable of producing text, images, video, and audio that emulates the expressive works used to train it, GenAI is driving early but significant disruption across these fields. The scale of what is at stake is far from abstract, these concerns were central to the 2023 Hollywood strikes, and a structural shift in production activity continues to deepen the challenge for the region's creative workforce.”

The author continues, noting that “a January 2024 survey by CVL Economics projected that 203,800 entertainment jobs would likely be disrupted in the United States by 2026, including 62,000 in California, with sound engineers, voice actors, concept artists, and employees in entry-level positions at the greatest risk of displacement. As AI continues to reshape the landscape, the California Legislature has an opportunity to support the creatives who built their careers in these fields.”

Employment impacts of AI. The World Economic Forum released a white paper, *Four Futures for Jobs in the New Economy: AI and Talent in 2030*, in January of 2026. The white paper noted that AI has moved from experimentation to workflow integration, with the share of businesses using AI in at least one function increasing from 55% in 2022 to 88% in the latest estimates. According to the paper, “the adoption of these technologies promises systemic gains in productivity, but also raises critical questions about economic inclusion, values, trust and resilience.”

According to the World Economic Forum’s annual survey of over 10,000 executives globally, about 54% of respondents expect AI to displace existing jobs, and 24% said AI will drive the creation of new jobs. More than four in 10 executives surveyed expect AI to increase profit margins across businesses, and only slightly less said AI will increase accessibility (37%) and affordability (30%) of goods and services. Notably, only 12% expect AI to have a positive impact on wages, while 24% predict an increase in industry concentration.

The white paper posits four scenarios for the future of jobs in 2030:

- 1) *Scenario 1: Supercharged Progress* - AI advances rapidly, transforming industries, boosting productivity, and enabling widespread innovation. Many traditional jobs disappear, but new roles emerge quickly as people manage and collaborate with intelligent systems. However, governance, ethics, and social protections struggle to keep pace with the speed of change.
- 2) *Scenario 2: The Age of Displacement* - AI development outstrips the workforce’s ability to adapt, leading to rapid automation and widespread job loss. While productivity rises, social systems lag behind, causing unemployment, declining consumer confidence, and instability. Economies advance technologically but become increasingly fractured and unequal.
- 3) *Scenario 3: Co-Pilot Economy* - AI progresses steadily, with a focus on augmenting human work rather than replacing it. Human–AI collaboration becomes the norm, driving gradual but meaningful transformation across industries. Early investments in skills, infrastructure, and governance allow some economies to adapt and benefit more effectively.
- 4) *Scenario 4: Stalled Progress* - AI advances but is limited by a lack of workforce skills, resulting in uneven productivity gains. Benefits concentrate in regions and firms with expertise, while others fall behind, deepening inequality. Automation displaces routine jobs, demand rises for skilled trades, and overall economic growth remains constrained.

Community college work in AI: In September 2023, the Chancellor of the CCC released *Vision 2030: A Roadmap for California Community Colleges*, which included a description on the

importance of engaging with AI in Strategic Direction 3, *The Future of Learning*. The *Vision 2030* roadmap focuses on integrating AI and Generative AI to elevate teaching and learning. Key areas of investment include professional development, data infrastructure, evaluation and partnership capacity and demonstration projects.

In July of 2024, the Chancellor of the CCC released a report to the CCC Board of Governors titled *Generative AI and the Future of Teaching and Learning*. The report includes a set of recommended actions. Chancellor Christian asserts that CCC must double down in “deepening human qualities of cooperation, ethical decision making, and emotional intelligence in a world of rapidly developing machine learning.”

The report specifically calls for a humans-centered approach, which includes:

- 1) Students, faculty, staff and administrators should be able to opt out, where appropriate, and have access to a person who can quickly consider and remedy problems they encounter. Measures should also be taken to ensure that there are humans in the loop when capabilities are designed, tested and used to achieve successful outcomes.
- 2) Students, faculty, staff, and administrators should have equitable access to tools, training and solutions that minimize bias and improve outcomes.
- 3) Measures should be taken to empower students, faculty, staff, and administrators to have agency over how data about them is collected and used and set parameters that shield them from abusive data practices via built-in protections.
- 4) Students, faculty, staff, and administrators should not face discrimination by algorithms and systems should be designed and used in an equitable way.
- 5) Students, faculty, staff, and administrators should know that an automated system is being used and understand how and why it contributes to outcomes that impact them.
- 6) Students, faculty, staff, and administrators should be protected from unsafe or ineffective systems.

The CCC has established the Digital Center for Innovation, Transformation, and Equity to represent a strategic approach to supporting the CCC’s *Vision 2030*, including leading in innovation, harnessing the power of generative AI, public and private technology partnerships, and transforming the CCC’s ability to serve students as they move into an AI- powered workforce.

Arguments in support. William Morris Endeavor (WME) wrote in support, noting that “WME is a global talent agency that brings over 125 years of experience representing clients spanning film, television, music, sports, theater, books, comedy, fashion, brands, digital, and the full entertainment ecosystem...the history of the media business is a history of realignment that goes back to the transition from radio to TV, and silent films to ‘talkies.’ Artificial intelligence is reshaping the U.S. economy at a pace faster than previous technological transitions and, while AI promises productivity, growth, and global competitiveness, it also presents serious workforce disruption risks across all sectors, including the creative arts.”

Additionally, WME wrote that “California’s creative economy is both a defining feature of the state and a vital economic engine. Currently, California’s creative economy employs more than 760,000 workers with an average salary of \$191,000 per year, accounting for roughly five percent of the state’s workforce. Yet a January 2024 CVL Economics study projected that 62,000 jobs in California could be disruptive by GenAI by 2026. The scale of what is at stake is not abstract; these concerns were a central issue in the 2023 Hollywood strikes and are at the core of the 2026 labor negotiations... this legislative proposal will establish an exciting and forward-thinking workforce training program that supports the entertainment industry’s transition to the AI economy and ensures workers in California’s entertainment industry are prepared to meet the demands of employers as new technology transforms the entertainment industry and the jobs that fuel it.”

Committee comments. The pilot program proposed in AB 2504 (Bauer-Kahan) seeks to support workers that may be displaced by GenAI technology. The CCC have long been the first stop for Californians seeking to gain the education and skills necessary to thrive in an ever-changing economy, and are well-placed to support workers in the creative and entertainment industries.

Committee staff understands that drafting errors unintentionally included a second pilot program in the provisions of AB 2504. This analysis does not reflect that second pilot program, located in Section 2 of the bill. *Furthermore, the Committee recommends, and the author has accepted, amendments that do the following:*

- 1) *Rename the Pilot Program in this bill to the Future of Creative Industries Pilot Program;*
- 2) *Incorporates the legislative intent listed in 1) above into the Pilot Program provisions listed in 2) above;*
- 3) *Requires the report to the Legislature to include a comprehensive list of the certificates or degrees that were awarded, student outcomes and job placement rates of graduates and certificate holders that participated in the pilot program;*
- 4) *Establishes that the provisions will sunset on January 1, 2033; and,*
- 5) *Strikes the language in Section 2 of the bill unintentionally creating a second pilot program.*

Related legislation. AB 2544 (Gabriel, 2026) would require the Governor’s Office of Business and Economic Development (GO-Biz) to establish and administer a pilot program to develop a model for delivering high-quality, workforce-centered artificial intelligence literacy instruction focused on careers in the entertainment industry. The bill would require the pilot program, among other things, to create a connected training pipeline that links learning directly to employment opportunities. This legislation is currently pending a hearing in the Assembly Committee on Economic Development, Growth, and Household Impact.

AB 2487 (Ahrens, 2026) would establish the Artificial Intelligence Education and Workforce Development Act (Act) to accomplish specified goals, including, among others, empowering and supporting community college instructors in using and deploying artificial intelligence (AI) responsibly in administrative and classroom settings, and strengthening the state’s AI and technology workforce pipeline by upskilling and educating all workers so they can benefit from AI. The author held AB 2487 in the Assembly Committee on Higher Education.

REGISTERED SUPPORT / OPPOSITION:

Support

William Morris Endeavor

Opposition

None on file

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