

The Attorney General of California has prepared the following title and summary of the chief purpose and points of the proposed measure:

**REGULATES CERTAIN LARGE ARTIFICIAL INTELLIGENCE (AI) COMPANIES.**

**INITIATIVE STATUTE.** Creates new state agency, the California AI Safety Commission, comprised of seven appointed members with specified expertise, to regulate companies that develop or control advanced AI systems and meet other specified criteria. Regulated companies must: (1) submit safety plan to Commission addressing specified categories of potential harm, including workforce displacement, safety, and loss of human control; and (2) notify Commission before expanding AI system capabilities. Requires Commission to publish best practices for mitigating potential harms of AI; authorizes Commission to limit expansion of AI system capabilities if company's safety plan is inadequate. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: **Increased state costs that would likely be in the tens of millions of dollars annually to establish and operate a new regulatory commission overseeing certain frontier AI companies. These costs would generally be covered by new revenues from registration fees, annual assessments, and civil penalties paid by entities subject to the measure.** (25-0034A1.)