

AMENDED IN SENATE APRIL 10, 2025

AMENDED IN SENATE MARCH 25, 2025

## SENATE BILL

**No. 503**

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**Introduced by Senator Weber Pierson**

**(Coauthors: Senators Richardson and Smallwood-Cuevas)**

(Coauthors: Assembly Members Bonta, Bryan, Elhawary, Gipson,  
Jackson, McKinnor, Ransom, Sharp-Collins, and Wilson)

February 19, 2025

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An act to add Section 1339.76 to the Health and Safety Code, relating to health care services.

### LEGISLATIVE COUNSEL'S DIGEST

SB 503, as amended, Weber Pierson. Health care services: artificial intelligence.

Existing law provides for the licensure and regulation of health facilities and clinics by the State Department of Public Health. Existing law establishes the Department of Health Care Access and Information to oversee and administer various health programs. Existing law establishes within the Government Operations Agency the Department of Technology, which is supervised by the Director of Technology. Existing law authorizes the director and the department to exercise various powers in creating and managing the information technology policy of the state.

Existing law requires a health facility, clinic, physician's office, or office of a group practice that uses generative artificial intelligence to generate written or verbal patient communications pertaining to patient clinical information, as defined, to ensure that those communications include both (1) a disclaimer that indicates to the patient that a communication was generated by generative artificial intelligence, as

specified, and (2) clear instructions describing how a patient may contact a human health care provider, employee, or other appropriate person. Existing law exempts from this requirement a communication read and reviewed by a human licensed or certified health care provider.

~~This bill would require the Department of Health Care Access and Information and the Department of Technology to establish an advisory board related to the use of artificial intelligence in health care services. The bill would require the advisory board to perform specified duties, including, but not limited to, developing a standardized testing system with criteria for developers to test AI models or AI systems for biased impacts. The bill would require developers of AI models or AI systems, in conjunction with health facilities, clinics, physician's offices, or offices of a group practice, to test for biased impacts in the outputs produced by the specified AI model or AI system based on the health facility's patient population, as specified. The bill would authorize developers to use the standardized testing system developed by the board to certify their AI models or AI systems.~~

*This bill would require developers of patient care decision support tools, as defined, and health facilities, clinics, physician's offices, or offices of a group practice to make reasonable efforts to identify uses of patient care decision support tools in health programs or activities that employ input variables or factors that measure a protected characteristic. The bill would require, for each patient care decision support tool, developers and deployers to make reasonable efforts to mitigate the risk of discrimination on the basis of a protected characteristic resulting from the tool's use in health programs or activities. The bill would require developers ensure that patient care decision support tools are tested for biased impacts in the outputs produced by the tool at least every 3 years. The bill would specify that a person, partnership, state or local governmental agency, or corporation may be both a developer and a deployer.*

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. Section 1339.76 is added to the Health and Safety
- 2     Code, to read:
- 3     1339.76. (a) (1) Developers of patient care decision support
- 4     tools, and health facilities, clinics, physician's offices, or offices

1 of a group practice, shall have an ongoing duty to make reasonable  
2 efforts to identify uses of patient care decision support tools in  
3 health programs or activities that employ input variables or factors  
4 that measure a protected characteristic.

5 (2) For each patient care decision support tool, developers and  
6 deployers shall make reasonable efforts to mitigate the risk of  
7 discrimination on the basis of a protected characteristic resulting  
8 from the tool's use in its health programs or activities.

9 (3) Developers shall ensure that patient care decision support  
10 tools are tested for biased impacts in the outputs produced by the  
11 tool at least once every three years.

12 (b) For purposes of this section, a person, partnership, state or  
13 local governmental agency, or corporation may be both a  
14 developer and a deployer.

15 (c) For purposes of this section, the following definitions apply:

16 (1) "Biased impact" means an unintended impact on an  
17 individual based on their protected characteristics.

18 (2) "Clinic" has the same meaning as defined in Section 1200  
19 or 1200.1.

20 (3) "Deployer" means a person, partnership, state or local  
21 governmental agency, corporation, or developer that uses a patient  
22 care decision support tool.

23 (4) "Developer" means a person, partnership, state or local  
24 governmental agency, corporation, or deployer that designs, codes,  
25 substantially modifies, or otherwise produces a patient care  
26 decision support tool.

27 (5) "Health care provider" means a person licensed or certified  
28 pursuant to Division 2 (commencing with Section 500) of the  
29 Business and Professions Code.

30 (6) "Health facility" has the same meaning as Section 1250.

31 (7) "Office of a group practice" means an office or offices in  
32 which two or more physicians are legally organized as a  
33 partnership, professional corporation, or nonprofit corporation  
34 licensed according to subdivision (a) of Section 1204.

35 (8) "Patient care decision support tool" means any automated  
36 or nonautomated tool, mechanism, method, technology, or  
37 combination thereof used by health facilities, clinics, physician's  
38 offices, or offices of a group practice to support clinical  
39 decisionmaking in its health programs or activities.

1 (9) “Physician’s office” means an office of a physician in solo  
2 practice.

3 (10) “Protected characteristic” means a characteristic listed  
4 in subdivision (b) of Section 51 of the Civil Code.

5 SECTION 1. Section 1339.76 is added to the Health and Safety  
6 Code, to read:

7 1339.76. (a) ~~The Department of Health Care Access and~~  
8 ~~Information and the Department of Technology shall establish an~~  
9 ~~advisory board related to the use of artificial intelligence (AI) in~~  
10 ~~health care services.~~

11 (b) ~~The advisory board shall do all of the following:~~

12 (1) ~~Develop best practices for the use of AI models or AI~~  
13 ~~systems by a health facility, clinic, physician’s office, or office of~~  
14 ~~a group practice that uses AI in its provision of health care services.~~

15 (2) ~~Develop a standardized testing system with criteria for~~  
16 ~~developers to test AI models or AI systems for biased impacts.~~

17 (3) ~~Establish a statewide certificate that can be used to confirm~~  
18 ~~that a developer’s version or release of their AI model or AI system~~  
19 ~~meets standards set by the advisory board pursuant to the testing~~  
20 ~~for biased impacts described in paragraph (2).~~

21 (c) (1) ~~Developers of AI models or AI systems, in conjunction~~  
22 ~~with health facilities, clinics, physician’s offices, or offices of a~~  
23 ~~group practice, shall test for biased impacts in the outputs produced~~  
24 ~~by the specified AI model or AI system based on the health~~  
25 ~~facility’s patient population.~~

26 (2) ~~Developers shall use an existing testing system designated~~  
27 ~~by the advisory board until the advisory board has developed its~~  
28 ~~standardized testing system described in paragraph (2) of~~  
29 ~~subdivision (b). After the advisory board has developed its testing~~  
30 ~~system, developers may alternatively use the board’s testing~~  
31 ~~system.~~

32 (3) ~~After the advisory board has created the certification~~  
33 ~~described in paragraph (3) of subdivision (b), developers may use~~  
34 ~~the advisory board’s standardized testing system to certify their~~  
35 ~~AI models or AI systems.~~

36 (d) ~~For purposes of this section, the following definitions apply:~~

37 (1) ~~“Biased impact” means an unintended impact on an~~  
38 ~~individual based on their protected characteristics.~~

39 (2) ~~“Clinic” has the same meaning as defined in Section 1200~~  
40 ~~or 1200.1.~~

1     ~~(3) (A) “Developer” means a person, partnership, state or local~~  
2     ~~governmental agency, corporation, or deployer that designs, codes,~~  
3     ~~substantially modifies, or otherwise produces an AI model or AI~~  
4     ~~system that generates an output that can influence physical or~~  
5     ~~virtual environments.~~

6     ~~(B) A “deployer” means a person, partnership, state or local~~  
7     ~~governmental agency, corporation, or developer that uses a covered~~  
8     ~~AI model or AI system that generates an output that can influence~~  
9     ~~physical or virtual environments.~~

10    ~~(C) A person, partnership, state or local governmental agency,~~  
11    ~~or corporation may be a developer and a deployer if the person or~~  
12    ~~entity both designs, codes, substantially modifies, or otherwise~~  
13    ~~produces an AI model or AI system that generates an output that~~  
14    ~~can influence physical or virtual environments and also uses a~~  
15    ~~covered AI model or AI system that generates an output that can~~  
16    ~~influence physical or virtual environments.~~

17    ~~(4) “Health care provider” means a person licensed or certified~~  
18    ~~pursuant to Division 2 (commencing with Section 500) of the~~  
19    ~~Business and Professions Code.~~

20    ~~(5) “Office of a group practice” means an office or offices in~~  
21    ~~which two or more physicians are legally organized as a~~  
22    ~~partnership, professional corporation, or not-for-profit corporation~~  
23    ~~licensed according to subdivision (a) of Section 1204.~~

24    ~~(6) “Physician’s office” means an office of a physician in solo~~  
25    ~~practice.~~