SUMMARY SB53 TRANSPARENCY IN FRONTIER ARTIFICIAL INTELLIGENCE ACT

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Full Text (Key Excerpts & Structure)

Below are some of the more important sections of the bill as enacted / amended. (I'm not pasting every technical clause — but I include the most relevant parts for transparency, definitions, obligations, and enforcement.)

Preamble & Purpose (Legislative Counsel's Digest)

From the Bill Text introduction:

SB 53 aims to add **Section 11547.6.1** to the Government Code and a new **Chapter 5.1** (**commencing with Section 1107**) to Part 3, Division 2 of the Labor Code, relating to artificial intelligence. <u>LegiScan</u>

It is described as the **Transparency in Frontier Artificial Intelligence Act (TFAIA)**. LegiScan+2LegiScan+2

Definitions & Scope (Amended Bill Text)

- The bill defines a "large frontier developer" (or analogous "large developer") and
 "frontier models" those models which have been trained using extremely large
 computational resources (or exceeding cost / compute thresholds) and thus may
 present greater risk. LegiScan+2Digital Democracy | CalMatters+2
- It requires that a large frontier developer must write, implement, and conspicuously publish on its website a "safety and security protocol" (or "frontier Al framework") that describes, in detail, among other things:
 - the testing procedures used to assess catastrophic risks of the models LegiScan+2Digital Democracy | CalMatters+2
 - how the developer incorporates national, international, and industry-consensus best practices and standards into its protocols <u>Bill Texts+3LegiScan+3Governor of California+3</u>
 - how risk mitigations are designed, safety controls, oversight, governance, etc. LegiScan+1
- The bill also establishes **CalCompute**, a public cloud compute cluster concept:

A consortium within the Government Operations Agency is to develop a framework for creating a public cloud computing cluster to be known as "CalCompute," intended to foster safe, ethical, equitable, sustainable AI research and deployment. Digital Democracy | CalMatters+2Governor of California+2

The consortium must, by January 1, 2027, submit its framework to the Legislature, after which the consortium is dissolved. <u>Digital Democracy | CalMatters+1</u>
However, the operations of CalCompute are contingent on appropriation (i.e., budget allocation) by the Legislature or another measure. <u>Digital Democracy | CalMatters</u>

Obligations & Reporting

- **Public disclosure**: The large frontier developer must **publicly publish** (on its website) its safety / security protocols (the "frontier AI framework") and how they adhere to standards. Bill Texts+3Governor of California+3LegiScan+3
- Reporting critical safety incidents:

The bill requires **timely reporting** (within defined windows) of **critical safety incidents** to government authorities (e.g. California's Office of Emergency Services, Attorney General) so that public authorities stay informed of emerging risks. <u>Bill</u>

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The text emphasizes that timely reporting is "essential" so government can monitor and respond to potential frontier AI threats. <u>LegiScan+1</u>

Whistleblower protections:

The bill prohibits a large frontier developer from enforcing any rule or contract that prevents an employee from disclosing information (or punishes them) if they believe publicly that the developer's activities pose a catastrophic risk or violate the TFAIA.

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Covered disclosures can be to the Attorney General, federal authorities, or persons within the company who have authority to investigate. <u>LegiScan+2LegiScan+2</u>

Enforcement & penalties:

The bill imposes **civil penalties** for noncompliance, enforced by the Attorney General. <u>Bill Texts+3LegiScan+3LegiScan+3</u>

The law exempts certain incident reports, employee disclosures, or summaries of audits from the California Public Records Act, to protect confidentiality or safety. <u>LegiScan+1</u> There was language in earlier drafts for **independent third-party audits** (starting 2030

annually) and an annual audit summary to the AG. That provision appears in some bill texts but may have been modified or omitted in final form. <u>LegiScan+1</u>

Additional Provisions & Limitations

- The law clarifies that only transparency violations (e.g. failing to publish required information) are actionable under SB 53—not direct liability for harm caused by the AI model itself (i.e. SB 53 does not create broad liability for damages by the model).
 California Senate Bill 53+2LegiScan+2
- The bill signals that as technologies evolve, further legislation may become needed to expand scope beyond "frontier" models. <u>LegiScan+1</u>
- Some obligations and the CalCompute functionality depend on legislative appropriation (i.e. contingent on budget). <u>Digital Democracy | CalMatters+1</u>

Additional Observations & Context

- After Governor Newsom signed SB 53 on September 29, 2025, the law now stands.
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- The law is seen as California's first comprehensive AI transparency / safety regulation for powerful models. <u>Fisher Phillips+3Governor of California+3Digital</u> <u>Democracy | CalMatters+3</u>
- This version is less prescriptive than a previous attempt, SB 1047, which included kill switches, stricter liability, 72-hour incident reporting, more rigid controls, but was vetoed by Newsom in 2024. Wikipedia+3Fisher Phillips+3Senator Scott Wiener+3
- SB 53 attempts a more moderate "trust but verify" approach: requiring disclosure and incident reporting, with penalties for transparency failures, rather than direct technical or liability mandates. <u>TechCrunch+5Fisher Phillips+5Governor of</u> California+5