September 3, 2026

The Honorable Governor Gavin Newsom
Governor, State of California
1021 O Street, Suite 9000
Sacramento, CA 95814

SUBJECT: SB 951 (REYES) Employment: technological displacement: notice.
REQUEST FOR VETO

Dear Governor Newsom:

The California Chamber of Commerce, and the organizations listed below, respectfully urge you to **VETO SB 951 (Reyes)**. **SB 951** layers new Cal/WARN Act notice and reporting mandates onto a workforce-transparency function the state has already built. The bill's core AI-attribution trigger also remains undefined, leaving employers to guess when routine technology use crosses a threshold that carries civil penalty and enforcement exposure.

SB 951 Duplicates the State's Existing California AI Unemployment Tracker (CAIT)

The Employment Development Department (EDD) already operates the California AI Unemployment Tracker (CAIT), which monitors and publicly reports AI-driven job displacement statewide. **SB 951** layers a second, statutorily mandated reporting regime on top of it covering the identical subject matter. Proposed Section 1401(d)(2) requires EDD publish a summary of the AI-related layoff notices it receives and post a quarterly statewide summary of technology displacements, while Proposed Section 1402.7 separately requires EDD to submit a Legislative report on AI's hiring effects by January 1,

2028. Employers are left navigating two parallel notice-and-reporting tracks for the same layoff event with no guidance on how the two are meant to reconcile. This will add compliance costs without adding clarity. The duplicative framework is not merely inefficient; it invites inconsistent figures between CAIT and notice summaries provided by employers. The inconsistent public data undermines the very transparency **SB 951** purports to advance.

SB 951's "In Whole or in Substantial Part" Standard Is Undefined and Unworkable

Proposed Section 1401(d)(1) triggers the bill's enhanced notice obligations whenever a mass layoff, relocation, or termination is "caused in whole or in substantial part by an AI system or other automated technology." Neither **SB 951** nor the existing Cal/WARN Act defines "substantial part," and the bill supplies no threshold, percentage, or decision-making test an employer can apply. Employers will have no reliable way to know, in real time and under the Act's 60-day notice deadline, whether their use of AI or automated technology rises to "substantial" as opposed to incidental. Because a wrong guess exposes the employer to a $500-per-day civil penalty and Labor Commissioner enforcement, the bill effectively forces employers to over-notice out of caution or risk penalties for an honest, good-faith causation determination that a court or the Labor Commissioner later disagrees with.

For these reasons, we urge you to **VETO SB 951 (Reyes).**

Sincerely,



Andrea Lynch
Policy Advocate- Labor, Employment, and Workers Compensation
California Chamber of Commerce
And the Organizations Following

Acclamation Insurance Management Services (AIMS)
Allied Managed Care
Associated General Contractors – California
Associated General Contractors – San Diego
Calforests
California Apartment Association
California Bankers Association
California Distributors Association
California Employment Law Council (CELC)
California Food Producers
California Fuels and Convenience Alliance
California Grocers Association
California Hospital Association
California Landscape Contractors Association (CLCA)
California League of Food Producers
California Manufacturers and Technology Association (CMTA)
California Retailers Association (CRA)
California Restaurant Association

California's Credit Union
Civil Justice Association of California (CJAC)
Flasser Barricade Association (FBA)
Los Angeles Area Chamber of Commerce
Official Police Garages of Los Angeles
SHRM California
TechNet
Western Growers Association

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