

The Honorable Anna Caballero
Chair, Senate Appropriations Committee
State Capitol Building, Room 412
Sacramento, CA 95814

RE: AB 1018 (Bauer-Kahan) – Automated decision systems. – SUPPORT

Dear Chair Caballero,

Omidyar Network, a California based philanthropic and investment organization committed to elevating humanity's interests and role in how technology is governed and held accountable, supports AB 1018, which would establish requirements for the developer and deployer of an automated decision system (ADS) on the usage of the ADS to make or facilitate a consequential decision.

Omidyar Network's philanthropic and investment efforts have continued for more than two decades and stem from our founder's work at two great California companies, PayPal and eBay. We envision a world where our shared humanity steers our digital future. So far, we have committed more than \$1.94 billion to initiatives that share our vision.

Technological developments have allowed systems and processes around the world to become automated in increasingly sophisticated ways. While these advances have had many benefits, research has shown that ADS can also reproduce historical patterns of discrimination, stereotype, and bias—ultimately reinforcing barriers to equitable access and causing harm to the most vulnerable groups. Automated systems can neither prevent nor correct these unintended consequences on their own, yet most ADS operate without meaningful external accountability.

AB 1018 would implement crucial checks on the use of ADS in making decisions that result in tangible impacts on cost, terms, quality, or accessibility in sectors such as employment, education, utilities, financial services, and healthcare. By establishing requirements for conducting annual performance evaluations and providing written notice to subjects of ADS, this measure provides the transparency and accountability that consumers deserve when receiving life-altering decisions.

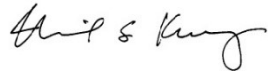
As noted in the Assembly Appropriations Committee analysis, there would be an unknown but significant cost to each state agency that deploys ADS to comply with the bill's requirements, possibly from the tens of millions to hundreds of millions annually. However, we believe ensuring that ADS are used in a fair, safe, and ethical manner provides a safety benefit to the public that would greatly outweigh the potential costs of this measure.

As high-impact industries continue to integrate ADS to streamline their services, it is paramount that we implement robust oversight. Unchecked, these systems are vulnerable to mistakes and biases but lack the awareness to recognize them. A comprehensive regulatory framework will not only improve equitable access and treatment in many industries but will

directly protect Californians' livelihoods and well-being. Automated systems should work in the public interest, not against it.

For these reasons, we respectfully request your support for this important measure

Sincerely,



Mike Kubzansky
CEO, Omidyar Network

cc: Assemblymember Bauer-Kahan
Members, Senate Appropriations Committee