



OFFICE OF THE GOVERNOR

OCT 13 2025

To the Members of the California State Senate:

I am returning Senate Bill 7 without my signature.

This bill would establish new rules for employers using automated decision systems (ADS) to make employment-related decisions. Proposed rules include requiring the employer to notify a worker before deploying an ADS that makes employment-related decisions, prohibiting an employer from relying solely on an ADS when making a disciplinary, termination, or deactivation decision, and giving a worker the right to request data used by the ADS to help make such a decision.

I share the author's concern that in certain cases unregulated use of ADS by employers can be harmful to workers. However, rather than addressing the specific ways employers misuse this technology, the bill imposes unfocused notification requirements on any business using even the most innocuous tools. This proposed solution fails to directly address incidents of misuse.

Moreover, this measure proposes overly broad restrictions on how employers may use ADS tools. For example, prohibiting an employer from using customer ratings as the primary input data for an ADS takes away a potentially valuable tool for rewarding high-performing employees. To the extent that customer reviews are unfairly or inappropriately used to make decisions about a worker, legislation should address those specific scenarios rather than ban this practice altogether.

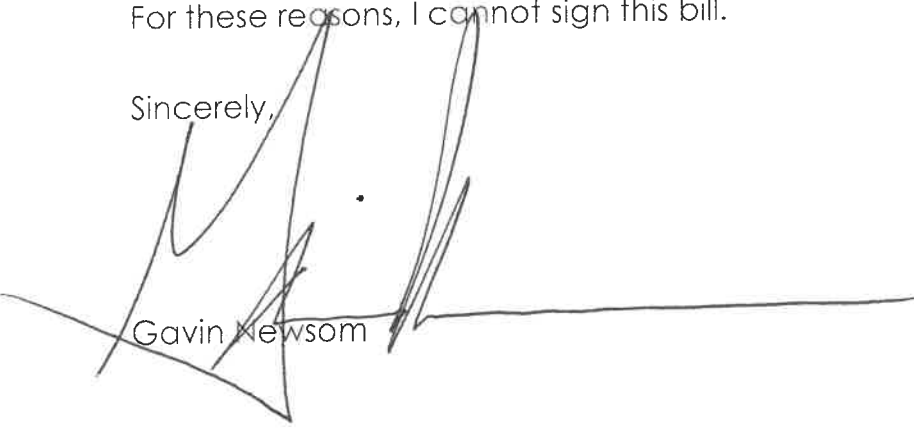
Finally, I share the author's concern about situations where an employer uses an ADS to make disciplinary, termination, or deactivation decisions. Such situations

are partially covered by forthcoming California Privacy Protection Agency regulations, which would allow employees and independent contractors to better understand how their personal data is used by automated decision technology. Before enacting new legislation in this space, we should assess the efficacy of these regulations to address these concerns.

For these reasons, I cannot sign this bill.

Sincerely,

Gavin Newsom

A large, stylized handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right, positioned over the printed name "Gavin Newsom".