California Business Properties Association
Protecting commercial real estate for over 50 years

2026 END OF SESSION LEGISLATIVE REPORT

CBPA

Updated October 2026

BY THE NUMBERS – BROAD ENGAGEMENT ACROSS OFFICE, INDUSTRIAL, AND RETAIL REAL ESTATE

2,332 Bills introduced	**350+** Tracked for CRE impact	**3** Sponsored bills	**125+** Directly engaged	**42** Concerned bills defeated/fixed

BIG PICTURE: DEFENDING COMMERCIAL REAL ESTATE

Three permit-streamlining bills reached the Governor's desk at once. AB 2418, sponsored by CBPA, sets plan-check deadlines for nonresidential projects. AB 1693 does the same for retail tenant improvements. AB 1621 caps plan checks at two rounds for housing and mixed-use projects. Each one attacks the months between a signed lease and an open door.

Defense took even more work and coordination across the chapters. A last-minute gut-and-amend to end the 2026 Legislative Session, SB 716, targeted commercial property and business operations under the guise of addressing cold-storage fires. CBPA and our partners helped defeat it in Assembly Local Government, but proponents revived it through rule waivers. It survived a lengthy floor fight on the final day of session and reached the Governor's desk and was unfortunately signed into law.

That work extended well beyond the Capitol. CBPA pushed back with local chapters against multiple proposed air district warehouse Indirect Source Rules, engaged on General Plan changes in multiple cities that would have harmed industrial-land zoning, and organized a broad coalition around the Energy Commission's proposed statewide Building Performance Standards, bringing real estate, business, goods movement and employer organizations behind a common position.

2026 SESSION RESULTS

CBPA SPONSORED BILLS

AB 2418 (González) - Non-Residential Permit Streamlining
Sets plan-check deadlines and lets applicants use a private plan checker when the city misses them.
OUTCOME: SIGNED INTO LAW!

AB 1995 (Patel) - Lithium-Ion Battery Fire Safety
Shapes battery storage fire rules that land on commercial buildings.
OUTCOME: HELD AFTER CBPA NEGOTIATED INDUSTRY SEAT ON BATTERY ENERGY STORAGE SYSTEMS (BESS) WORKGROUP

AB 1606 (Nguyen) - Business Cleanup Relief Act
Tax credit for encampment and illegal-dumping cleanup on your property.
OUTCOME: HELD IN ASSEMBLY APPROPRIATIONS

SUPPORTED LEGISLATION SIGNED INTO LAW

AB 1834 (Patel) - Mixed-Use Streamlining
Exempts mixed-use zoned land from tentative map requirements, saving 9 to 12 months.
OUTCOME: SIGNED BY GOVERNOR

AB 2044 (Petrie-Norris) - Building Standards Cost Estimates
Requires cost-of-compliance estimate before new building standards can be adopted.
OUTCOME: SIGNED BY GOVERNOR

SB 963 (Laird) - Coastal Permit Appeals
Sets deadlines for coastal commission action on permit appeals.
OUTCOME: SIGNED BY GOVERNOR

SB 1008 (Ochoa Bogh) - CEQA Exemption: Railroad Crossings
CEQA exemption for railroad grade-crossing closures.
OUTCOME: SIGNED BY GOVERNOR

GOVERNOR'S FINAL ACTIONS: BILL SIGNING & VETO REPORT

SIGNATURE REQUESTED

AB 2418 (González) - Non-Residential Permit Streamlining
CBPA-sponsored. See above.
OUTCOME: SIGNED INTO LAW! (Press release)

AB 1693 (Zbur) – Retail Tenant Improvement Streamlining
Lets a qualified certifier sign off on retail TI, with 20-day permit decisions.
OUTCOME: SIGNED INTO LAW!

AB 1621 (Wilson) – Plan Chceck Limits
Caps plan checks at two on housing and qualifying mixed-use permits unless the agency makes written health or safety findings.
OUTCOME: SIGNED INTO LAW!

SB 344 (Weber Pierson) – San Diego Housing EIR
Deems the Midway Rising EIR sufficient once San Diego certifies it, limiting further CEQA challenges.
OUTCOME: SIGNED INTO LAW!

SB 958 (Weber Pierson) – Building Height CEQA
Bars added height alone from counting as a significant CEQA impact on non-industrial infill. Statewide.
OUTCOME: SIGNED INTO LAW!

SB 1398 (Susan Rubio) – Green Globes Certification
Allows Three Green Globes as an alternative to LEED Gold on state projects.
OUTCOME: SIGNED INTO LAW!

GOVERNOR'S FINAL ACTIONS: BILL SIGNING & VETO REPORT (CONT.)

FIXED / NEUTRAL

AB 817 (Gonzalez) – Cold Storage Contingency Fund
Blocks cold storage permits unless the operator funds a community reserve.
POSITION: SIGNED BY GOVERNOR (Signature statement)

SB 1359 (Stern) – Gas Infrastructure Reporting
Annual utility reporting now, but the original version threatened gas service to buildings.
POSITION: NEUTRAL AFTER LATE AMENDMENTS NARROWED BILL

AB 2313 (Berman) – Gas Line Electrification Buyout
Utilities pay owners, including of rentals, to drop gas rather than replace the line.
POSITION: NEUTRAL AFTER LATE AMENDMENTS NARROWED BILL

DATA CENTER BILLS

SB 886 (Padilla) – Data Center Tariffs
Cost-allocation rules that could later reach cold storage, logistics or manufacturing. **OUTCOME:** SIGNED

SB 887 (Padilla) – Data Center CEQA Review
Removes CEQA exemptions from one building type while comparable projects keep them. **OUTCOME:** SIGNED

AB 2383 (Zbur) – Fair Share in Energy Act
A separate CPUC rate class for one property type, and a model for others. **OUTCOME:** SIGNED

AB 1577 (Bauer-Kahan) – Data Center Reporting
New Energy Commission reporting duplicating what utilities already collect. **OUTCOME:** SIGNED

AB 2619 (Papan) – Data Center Water Disclosure
Business licensing turned into a resource-use enforcement tool, under penalty of perjury. **OUTCOME:** SIGNED (Governor's data center press release)

VETO REQUESTED

SB 716 (Durazo) – Commercial Fines Expansion
Fines to $50,000 per violation on nonresidential buildings 20,000 sq ft and up. CBPA/CREDA leading the coalition. **POSITION:** STRONG OPPOSE - SIGNED BY GOVERNOR (Press release)

SB 954 (Blakespear) – Advanced Manufacturing CEQA Rollback
Pulls industrial projects back into CEQA review after the SB 131 exemption.
POSITION: STRONG OPPOSE - VETOED

SB 1203 (Smallwood-Cuevas) – Security Guard Mandates
Raises guard training and staffing costs for every business that uses private security. **OUTCOME:** SIGNED

SB 1087 (Cabaldon) – Sustainable Communities Strategies
Recasts SB 375 and ties state transportation and planning funds to consistency with regional strategies. **OUTCOME:** SIGNED

SB 1414 (Reyes) – San Bernardino County Redistricting
Creates a new independent redistricting commission for San Bernardino County. Amendments secured condition implementation of the new commission on a state appropriation and require equal representation.
OUTCOME: SIGNED

AB 40 (Bonta) – Coal Terminal EIR
Full EIR for bulk coal terminals over 5 million tons a year, retroactive to June 2026. Amendments secured to avoid unintentionally capturing nearby logistics operations. **OUTCOME:** SIGNED

SB 1383 (McKinnor) – Public Pension Costs
Lowers the PEPRA retirement age for public safety employees, raising CalPERS and local government costs. **OUTCOME:** VETOED

AB 1776 (Aguiar-Curry) – COMPETE Act
Extends the Cartwright Act to single-firm conduct, past federal antitrust limits. **OUTCOME:** SIGNED

LEGISLATIVE WINS: BIGGEST THREATS TURNED BACK

SB 1075 (Reyes) Local land-use decisions bound to community emissions reduction plans. KILLED

AB 1777 (Garcia) Statewide CARB indirect source rule and fee authority over warehouses and ports. KILLED

SB 982 (Wiener) One named industry exposed to suits over unproven claims. Precedent risk for any sector. KILLED

SB 667 (Archuleta) Detector mandates plus a 7,500-foot train-length cap and 10 mph limits on non-compliant track. AMENDED

AB 1742 (Chen) Process-server access into secured commercial buildings. PULLED

AB 1869 (Haney) Hotel REIT tax status at risk over operational control. KILLED

AB 2108 (Sharp-Collins) Pretrial diversion for retail theft, with records cleared on completion. KILLED

SB 493 (Becker) War added to the emergencies triggering the 10% cap on rents and prices. HELD

ALSO STOPPED OR AMENDED: AB 1674 zoning | AB 1881 CEQA cultural resources | AB 2170 environmental review | AB 1548 coastal taxing authority | SB 1123 SRIA regulatory review
Priority measures only. The full session list is available on request.

WHAT'S NEXT

NOVEMBER BALLOT

Prop 43 SUPPORT Local Taxpayer Protection Act (Jarvis). CBPA is a co-chair.

Prop 45 SUPPORT The CEQA initiative (CalChamber/CBIA).

Prop 40 OPPOSE Billionaire Tax Act, the wealth tax (SEIU-UHWW).

Prop 3 OPPOSE Extends prop 55 high-income earners tax (CTA).

LOOKING AHEAD

New Legislature seated in December; new members and committee assignments.

Building Performance Standards CEC rulemaking continues into 2027.

Warehouse Indirect Source Rules District proposals remain live.

Returning in 2027 AB 1606 cleanup cost relief, and a CREDA seat on the BESS work group won through AB 1995