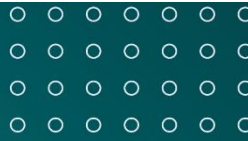




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## Quarterly News Report

July 2026

### State/Local



#### CHILDCARE AND YOUTH

##### **AB 1914: General plan elements: childcare.**

AB 1914 has made its way out the Assembly and into the Senate, where it was recommended to pass before being re-referred on June 29, 2026 to the Appropriations Committee. This measure would require cities to adopt a childcare plan or integrate a childcare plan into the next adoption or revision of their general plan, to address the childcare needs of the jurisdiction, as specified. The bill would include findings that changes proposed by this bill address a matter of statewide concern rather than a municipal affair and, therefore, apply to all cities, including charter cities.

Link:

[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202520260AB1914](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB1914)

#### HOMELESSNESS

##### **SB 866: Housing Element Mandates: Homelessness.**

SB 866 has made it out of the Senate, has been recommended to pass, and has been re-referred to the Committee on Appropriations in the Assembly as of July 1, 2026. This measure would require cities to add extensive homelessness reporting requirements to their housing elements. SB 866 targets cities without direct access to state homelessness funding, placing extensive new reporting burdens on cities with the fewest resources. Last week, the author committed to amendments that would only apply this bill to cities with populations between 50,000-300,000 (165 cities). Coachella currently does not meet this 50,000 population threshold, but this bill remains worth monitoring.

Link:

[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202520260SB866](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260SB866)

#### THE CALIFORNIA VOTING RIGHTS ACT (CVRA)

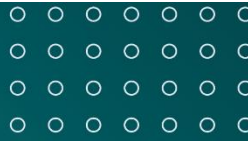
##### **SB 1164: Elections.**

SB 1164 passed the Senate on May 20, 2026 and has been ordered to the Assembly, where the Committee on Elections recommended to pass as amended on July 1, 2026 and re-referred the bill to the Committee on Appropriations on July 2, 2026. This measure would repeal and replace the California Voting Rights Act of 2001 (CVRA) with a state voting rights act that would prohibit a



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political subdivision or state agency from implementing, imposing, or enforcing any election policy or practice, as defined, that results in, or is likely to result in, voter suppression. The bill would also prohibit a political subdivision from employing any method of election, as defined, that has the effect, or will likely have the effect, of diluting the vote of protected class members. The bill would prohibit any political subdivision from enacting or administering any covered practice without obtaining preapproval from the Attorney General, if the political subdivision, within the previous 10 years, has entered into a settlement agreement admitting liability for a violation of, or been found by a court to have violated, this bill, the federal Voting Rights Act of 1965, the federal Civil Rights Act of 1964 concerning the right to vote of protected class members, the First, Fourteenth, or Fifteenth Amendments to the United States Constitution concerning the right to vote for protected class members, or any other state or federal law concerning the right to vote for protected class members. This bill would require a districting body responsible for the adoption of new election district boundaries to comply with the requirements of this bill when adopting new boundaries following the decennial census.

Link:

[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202520260SB1164](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260SB1164)

## **PLANNING AND ZONING**

### **AB 2296: Planning and zoning: housing element: regional housing needs allocation.**

AB 2296 passed the Assembly on May 27, 2026 and has been recommended by the Committee on Housing to amend and pass as amended before being re-referred to the Committee on Appropriations on June, 2026. This measure would amend the housing element review process by encouraging local jurisdictions to begin planning earlier. Specifically, the measure would allow cities to begin planning six months earlier than the existing law by requiring the Councils of Government to provide local governments their final Regional Housing Needs Allocation number six months sooner.

Link:

[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202520260AB2296](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB2296)

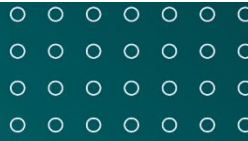
### **AB 956: Accessory dwelling units: ministerial approval: single-family dwellings.**

AB 956 passed the Assembly on May 23, 2026 before being referred to the Committees on Housing and Local Government, where it was amended multiple times, and ultimately recommended to pass and was re-referred to the Committee on Appropriations on July 2, 2026. This would require local governments to ministerially approve two detached accessory dwelling units in residential or mixed-use zones. This bill would expand the provision that makes void and unenforceable any covenant, restriction, or condition contained in any instrument affecting the transfer or sale of any interest in a planned development to include any covenant, restriction, or condition contained in an instrument affecting the transfer or sale of any interest in a common interest development. The bill would revise the provision governing prohibitions or restrictions on the construction or use of an accessory dwelling unit or junior accessory dwelling unit on a lot zoned for single-family residential use to instead apply to the construction or use of an accessory dwelling unit or junior accessory dwelling



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unit on a lot zoned to allow single-family residential use. While this law will impact single-family properties, allowing homeowners to construct up to two detached ADUs on their property and protecting them from HOA blockage, it does not cover the same ground as the recently in effect SB 79, which focuses primarily on multi-family apartments near major transit stops.

Link:

[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202520260AB956](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB956)

## DEVELOPMENT FEES

### **SB 1117: Accessory dwelling units and junior accessory dwelling units.**

On May 28, 2026, SB 1117 passed the Senate and was ordered to the Assembly, where it was recommended to pass as amended by the Committees on Local Government and Appropriations before being re-referred to the Committee on Appropriations on July 8, 2026. This bill would require the development impact fee in accordance with the Mitigation Fee Act for certain accessory dwelling units to be based only on the area in excess of 750 square feet of interior livable space. By changing the duties of local agencies with regard to calculating fees for ADUs, the bill would impose a state-mandated local program. The bill would include findings that changes proposed by this bill address a matter of statewide concern rather than a municipal affair and, therefore, apply to all cities, including charter cities.

Link:

[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202520260SB1117](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260SB1117)

## EMERGENCY MEDICAL SERVICES

### **AB 2405: Emergency Medical Services.**

AB 2405 passed the Assembly on May 27, 2026 and was sent to the Senate, where it made it out of the Committees on health and Public Safety with amendments before being re-referred to the Committees on Public Safety and Appropriations on June 24 and 30, 2026 respectively. Under existing law, when a person, as a result of a mental disorder, is a danger to others or to themselves, or is gravely disabled, they may, upon probable cause, be taken into custody for a period of up to 72 hours for assessment, evaluation, and crisis intervention, or placement for evaluation and treatment, as specified. Existing law prohibits mental health personnel from instructing a peace officer to take a person to, or keep the person at, a jail, solely because of the unavailability of an acute bed. This bill would require a peace officer who is transporting the above-described person to a designated facility for assessment to transport the person to the closest designated facility, either geographically or by time, to where the peace officer took the person into custody.

Link:

[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202520260AB2405](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB2405)

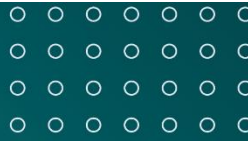
## FIRE INSURANCE/WILDFIRE MITIGATION

### **SB 1301: Residential property insurance: non-renewals.**



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SB 1301 passed the Senate on May 26, 2026 and into the Assembly where it was referred to the Committee on Insurance. After making it out of committee with amendments, SB 1301 was re-referred to the Committee on Appropriations on June 25, 2026. This measure would require insurance companies to provide at least 90 days' notice before cancelling or non-renewal. This will have notable impacts on communities with a high fire risk as it will help purchasers of fire insurance to avoid losing insurance for false reasons and will provide homeowners with adequate reasons for non-renewals so the State and purchaser can correct the insurance company, and with enough time to actually do so before the insurance lapses and homeowners are exposed to catastrophic risk. Beginning January 1, 2028, require an insurer to either deliver to the named policyholder an offer of renewal or a notice of nonrenewal or a notice of renewal with a reduction of limits or an elimination of coverage under the policy at least 90 days before the policy expiration. Also beginning January 1, 2028, this bill would require an insurer that refuses to renew a policy or imposes a reduction of limits or an elimination of coverage to provide the policyholder with a detailed, plain language explanation of the grounds for the nonrenewal or reduction of limits or elimination of coverage and, upon request, all nonproprietary information relating to the decision of nonrenewal or reduction of limits or elimination of coverage, as specified.

Link:

[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202520260SB1301](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260SB1301)

## **TAXES**

### **SB 122: Taxation**

SB 122 was signed into law by the Governor on June 29, 2026. This bill taxes most everyday software such as Microsoft Suites and Slack starting in January 2027, and has implications for business tax credits. This legislation extends the \$5 million business tax credit limit that has been in place since 2024 through 2029, generating \$9 billion between now and then. As of 2030, the state would cap each company's tax credit at \$5 million or 70% of the business' tax liability, whichever is greater. This could ultimately impact public agency's own budgeting priorities as they remain major purchasers of these software packages.

Link:

[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202520260SB122](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260SB122)

### **SB 125: Medi-Cal: Managed Care Organization Provider Tax**

On June 29, 2026, SB 125 was signed by the Governor into law. This bill extends a tax on healthcare providers. The administration estimates that this will generate roughly \$2 billion a year starting next year. SB 125 would increase the tax on private plans to match the Medi-Cal rate.

Link:

[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202520260SB125](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260SB125)