



## Staff Report

**TO:** Honorable Mayor and Members of the City Council  
**FROM:** Gustavo J. Romo, Interim City Manager  
**BY:** Brittany Navas, Grants Analyst  
**DATE:** February 17, 2026  
**SUBJECT:** Legislative Update – February 2026

---

**Description:** This report serves as a legislative update for state legislative activity during the 2025–26 legislative session.

### Background and Analysis:

The California State Legislature reconvened in January for the second year of the 2025–26 legislative session. Since reconvening, the Legislature has begun advancing bills introduced during the session, including a number of measures that may affect local governments. The following sections summarize legislative activity currently being monitored by the City.

| Bill                    | Author  | Topic (short)                    | Status  | Notes                                                                                                                                                                                                                     |
|-------------------------|---------|----------------------------------|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <a href="#">AB 35</a>   | Alvarez | Prop 4 Bond Funds: APA Exemption | Amended | Exempts Proposition 4 funding programs from Administrative Procedure Act requirements, which may accelerate guidelines and funding timelines for water, wastewater, recycled water, climate, and infrastructure projects. |
| <a href="#">AB 1421</a> | Wilson  | Road Usage Charge Study          | Amended | Directs the California Transportation Commission to study mileage-based fee systems, with potential long-term implications for transportation funding, future local revenue, grant programs, or compliance requirements.  |

|                                                  |          |                                                   |             |                                                                                                                                                                                                                                 |
|--------------------------------------------------|----------|---------------------------------------------------|-------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <a href="#">AB 1439</a>                          | Garcia   | Public Pensions & Labor Standards                 | Amended     | Requires CalPERS and CalSTRS to report on investment impacts related to labor standards; informational in nature but may influence future development, contracting, and workforce policy discussions affecting public agencies. |
| <a href="#">AB 1680</a>                          | Calderon | California FAIR Plan Association                  | Introduced  | Proposes changes to the state insurance program that may indirectly affect the City through impacts to property insurance availability and costs for municipal facilities and residents.                                        |
| <a href="#">SB 677</a>                           | Wiener   | Housing Development: Transit-Oriented Development | Amended     | Would modify development standards for housing near major transit corridors, potentially affecting allowable densities, entitlements, and development review for qualifying sites within the City.                              |
| <a href="#">SB 722</a>                           | Wahab    | Transit-Oriented Housing Sites                    | Amended     | Revises which parcels may be excluded from transit-oriented housing provisions, which could affect where streamlined housing development standards apply within the City.                                                       |
| <a href="#">SB 908</a>                           | Wiener   | Housing Development: Transit-Oriented Development | Introduced  | Placeholder bill proposing additional changes to transit-oriented housing laws that could further affect local land use authority and housing development standards; details forthcoming.                                       |
| <a href="#">SB 423 (reintroduction expected)</a> | Gonzalez | Housing: Real Property Transfer Tax Elimination   | Anticipated | Would eliminate local real estate and documentary transfer taxes if enacted, resulting in a potential loss of locally generated revenue for the City.                                                                           |

|                                                        |        |                                 |             |                                                                                                                                    |
|--------------------------------------------------------|--------|---------------------------------|-------------|------------------------------------------------------------------------------------------------------------------------------------|
| <a href="#">SB 707<br/>(cleanup bill<br/>expected)</a> | Durazo | Brown Act<br>language<br>access | Anticipated | Cleanup legislation is expected to clarify and refine Brown Act teleconferencing and language access requirements adopted in 2025. |
|--------------------------------------------------------|--------|---------------------------------|-------------|------------------------------------------------------------------------------------------------------------------------------------|

Several electric bicycle–related bills have also been introduced, though most remain in spot-bill form.

**Fiscal Impact:**

The estimated cost of preparing this staff report is \$300.

Recently enacted laws may require implementation-related changes. Staff will evaluate the impacts and return to the City Council with recommended actions, including fiscal considerations, as appropriate.

**Recommended Action:**

Receive and file.