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**SENATE COMMITTEE ON GOVERNMENTAL ORGANIZATION**

**Senator Susan Rubio**

**Chair**

**2025 - 2026 Regular**

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<b>Bill No:</b>	AB 1652	<b>Hearing Date:</b>	6/23/2026
<b>Author:</b>	Patterson, et al.		
<b>Version:</b>	1/28/2026 Introduced		
<b>Urgency:</b>	No	<b>Fiscal:</b>	Yes
<b>Consultant:</b>	Brian Duke		

**SUBJECT:** State agencies: regulations and legislation: nondisclosure agreements

**DIGEST:** This bill prohibits an elective or appointive officer of a state agency acting in their official capacity from entering into, or requesting that another party enter into, a nondisclosure agreement (NDA) relating to the drafting, negotiation, or discussion of a proposed regulation or legislation, as specified.

**ANALYSIS:**

Existing law:

- 1) Prohibits Members of the Legislature from entering into, or requesting that another party enter into, an NDA relating to the drafting, negotiation, or discussion of proposed legislation.
- 2) Makes any NDA relating to the drafting, negotiation, or discussion of proposed legislation void and unenforceable.
- 3) Provides an exception for NDAs, or portions thereof, that prevent only the disclosure of trade secrets, financial information, or property information, as specified.

This bill:

- 1) Prohibits, except as specified, an elective or appointive officer of a state agency acting in their official capacity from entering into, or requesting that another individual enter into, an NDA relating to the drafting, negotiation, or discussion of a proposed regulation or legislation.
- 2) Provides, except as specified, that any NDA relating to the drafting, negotiation, or discussion of a proposed regulation or legislation entered into or requested

by an elective or appointive officer of a state agency acting in their official capacity after the effective date of this bill shall be void and unenforceable.

- 3) Provides that this bill does not prohibit an elective or appointive officer of a state agency from entering into or requesting an NDA that prevents the disclosure of trade secrets, private financial information, or proprietary information.
- 4) Provides that this bill does not make void and unenforceable an NDA, or portion of an NDA, that prevents only the disclosure of trade secrets, private financial information, or proprietary information.
- 5) Defines “discussion” to mean direct or indirect communications engaged in by individuals for the purpose of reaching a decision regarding a proposed regulation or legislation.
- 6) Defines “drafting” to mean developing language for a proposed regulation or legislation pursuant to this bill.
- 7) Defines “negotiation” to mean any form of direct or indirect communication whereby individuals who have opposing interests discuss the form of any proposed regulation or legislation that may resolve a dispute involving those interests.

## **Background**

*Author Statement.* According to the author’s office, “last year the legislature unanimously approved AB 1370 which prohibited members of the legislature from entering or requesting another party to enter into non-disclosure agreements related to the drafting, negotiations, and discussions on legislation. The reason is because we believe in transparency and we wanted to clear up the obvious: NDAs simply don’t belong in government; in the same vein, it should apply to the Governor’s Office and administrative agencies.”

*Nondisclosure Agreements.* NDAs are legally binding contracts that prohibit one or more parties from disclosing specified confidential, proprietary, or sensitive information to unauthorized individuals or entities. NDAs are commonly used in employment relations, business transactions, and settlement agreements in order to protect perceived nonpublic matters. While NDAs can serve legitimate purposes by safeguarding confidential information, their use by policymakers have received increasing scrutiny by the public.

*Elective and Appointed Officers of State Agencies.* State officers generally include individuals who hold positions established by statute, appointment, or election and who exercise governmental authority on behalf of a state agency. Examples include members of state boards and commissions such as the California Air Resources Board, California Coastal Commission, and the California Horse Racing Board. Additionally, agency secretaries appointed by the Governor such as the Secretary of the California Environmental Protection Agency or the Secretary of the California Health and Human Services Agency. Elected statewide constitutional officers when acting through a state agency in an official capacity include the Attorney General or the State Treasurer to the extent they are involved in regulatory or legislative development.

*Rumors of NDAs in the Policy Making Process.* Recently, attention has been brought to the potential use of NDAs in the California policy making process. Following negotiations over AB 257 (Holden, Chapter 246, Statutes of 2022), which established a Fast Food Council within the Department of Industrial Relations to set sector-wide standards for workers in the industry. After enactment, opponents qualified a referendum that suspended implementation of the law pending a statewide vote, which was expected at the November 5, 2024, General Election.

In 2023, supporters and opponents of AB 257 entered into negotiations that resulted in a compromise reflected in AB 1228 (Holden, Chapter 262, Statutes of 2023). The agreement was contingent upon withdrawal of the referendum, which occurred in late 2023. Public scrutiny followed when [KCRA](#) reported that some participants in the negotiations were allegedly asked to sign NDAs to maintain confidentiality during discussions. However, KCRA reported that it had not reviewed a copy of any NDA and that its terms were unknown. The Governor's office stated that Governor Newsom neither signed an NDA nor directed anyone to do so. Subsequent reporting by the [Associated Press](#) indicated that any alleged NDA applied to certain private parties involved in the negotiations, including labor and industry representatives, and did not include the Governor or other public officials.

### **Prior/Related Legislation**

AB 1370 (Patterson, Chapter 191, Statutes of 2025) prohibits a Member of the Legislature from entering into an NDA, or requiring their staff to sign such agreements, in connection with negotiations over legislation. Much like its predecessor, this bill recognizes the longstanding use of these agreements to shield public disclosure of trade secrets, private financial information, and proprietary information by exempting those agreements from the prohibitions of this bill. This

bill provides that any agreement violating the provisions of this bill is void and unenforceable.

**FISCAL EFFECT:** Appropriation: No Fiscal Com.: Yes Local: No

**SUPPORT:**

California Business Roundtable  
California Civil Liberties Advocacy  
Oakland Privacy

**OPPOSITION:**

None received

**ARGUMENTS IN SUPPORT:** In support of the bill, the California Civil Liberties Advocacy writes in part that, “[s]tate regulations carry the force of law and often have sweeping consequences for California’s property rights, occupational freedom, privacy, and economic opportunity. When regulatory language is drafted or negotiated behind closed doors under confidentiality agreements, public trust is eroded and meaningful civic participation is diminished. AB 1652 helps ensure that the people of California retain their constitutional right to access information concerning the conduct of the people’s business.”

**DUAL REFERRAL:** Senate Judiciary Committee (11-0) & Senate Governmental Organization Committee