GOVERNOR'S VETO
AB 2721 (Carrillo)
As Enrolled September 3, 2026
2/3 vote

SUMMARY

This bill requires an operator of a hotel with actual knowledge of a reservation by U.S. Customs and Border Protection (CBP) or U.S. Immigration and Customs Enforcement (ICE) on the premises to post a notice in a prominent and accessible place to hotel workers that discloses the possible presence of those federal officers on the premises and requires an operator of a hotel with actual knowledge of a reservation by U.S. Customs and Border Protection or U.S. Immigration and Customs Enforcement on the premises to disclose the potential presence of U.S. Immigration and Customs Enforcement or U.S. Customs and Border Protection during a guest's reservation upon request by a guest at the time of check-in.

Governor's Veto Message
This bill requires a hotel operator with actual knowledge of a reservation by the U.S. Customs and Border Protection or U.S. Immigration and Customs Enforcement on the premises to post a notice in a prominent and accessible place to hotel workers that discloses the possible presence of those officers on the premises, and, upon request by a guest at the time of check-in, requires disclosure of this possible presence during a guest's reservation.

Recent conduct by federal agencies captured by this bill is abhorrent, and hotel employees deserve basic information about their rights should they come into contact with federal immigration officers. To that end, I signed SB 294 in 2025, and the state has greatly expanded investments and resources to help Californians, including workers, understand their rights when interacting with immigration officers.

While the intent of the author is laudable, this bill introduces considerable consumer privacy and public safety concerns by compelling hotel operators to disclose this guest information not just to their employees, but to the public. Compelling the disclosure of guest records on demand is likely in conflict with longstanding state privacy laws, and would put hotel operators in the position of determining which law they should follow. Further, requiring this information to be shared with the public could create real public safety risks on hotel properties by encouraging demonstrations or other disruptive activity. We have seen even the most peaceful protests escalate unexpectedly, which could lead to real risk for workers, demonstrators, and other hotel guests.

I encourage the Legislature to revisit this issue next year in a manner that avoids these unintended consequences and instead focuses on promoting safety and transparency for hotel employees.

COMMENTS

California leads the nation with pro-immigrant policies that have sparked change nationwide, including expanding access to higher education, expanding access to health care and public benefits, advancing protections for immigrant workers, supporting immigrant students through partnerships with school districts, and improving opportunities for economic mobility and inclusion through access to driver's licenses and pro bono immigration services.

As was seen in Minneapolis in early 2026, Immigration and Customs Enforcement (ICE) needs hotels to temporarily house their agents and detainees. Compared to previous years, Minneapolis hotels experienced a 17% occupancy boost in the weeks of the mass ICE occupation, accompanied by a 27% boost in revenue.[1] However, this uptick in occupancy was met with increased protests and cancelled events and reservations from other guests, ultimately leading to concerns that hosting ICE agents would negatively impact the hospitality industry in the long run.[2] ICE has historically also used hotels as temporary holding spaces for detainees. In 2021, when ICE's budget was just below $10 billion, the agency invested $17 million in hotel space and services at six hotels across the nation.[3] In 2025, ICE held two families, including three children who were U.S. citizens, in a Marriot hotel in Louisiana.[4]

People born outside of the United States (referred to as foreign-born people) make up approximately 17.5% of the total U.S. labor force according to the 2023 U.S. Census Bureau. However, this number varies widely by sector, with hotels rating 4th among the nation's largest industries that rely on foreign-born labor, behind building services, landscaping services, and crop production.[5] California hosts the most foreign-born hotel workers of any state (47.7 percent), demonstrating both the robust tourism industry and the demographic diversity of the state.[6] With nearly half the population of hospitality workers hailing from outside the United States, many California hotel employees, regardless of immigration status, worry about potential interactions with ICE agents who may be staying in, or working out of, the hotels.

This bill requires a hotel operator to disclose the existence of a reservation held by ICE or Border Patrol. The notice must be prominently displayed to guests and workers, and must be posted a week before the date of the reservation, or as soon as practicable if the reservation is made within a week of the start date of the reservation. The notice must remain posted for the duration of the reservation and must identify the agency that is present. The bill does not require the disclosure of individual information – merely the fact that ICE or Border Patrol is on the premises.

Importantly, the bill provides that the notice requirement applies only if the hotel *knows or should know* that the reservation belongs to one of those agencies. If the information is not reasonably evident to the operator, they are not liable under the bill. The bill does not have express enforcement provisions, but would be enforceable under California's Unfair Competition Law (UCL), which prohibits "unlawful, unfair, or fraudulent" activities, including "anything that [is] a business practice and that at the same time is forbidden by law."[7] An action under the UCL may be brought by the Attorney General, a district attorney, and, in certain large jurisdictions, city attorneys and county counsels, who may seek injunctive relief and civil penalties of up to

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[1] Nick Halter, "ICE surge boosts Twin Cities hotels, but owners warn of long-term damage," *Axios Twin Cities,* (Feb. 4, 2026).
[2] *Id.*
[3] Office of the Inspector General, "ICE Spent Funds on Unused Beds, Missed COVID-19 Protocols and Detention Standards while Housing Migrant Families in Hotels," *Department of Homeland Security,* (Apr. 12, 2022).
[4] Robert Pyne, "Marriot Acknowledges Hotel in Portfolio Used to Detain Families for ICE," *Visa Verge,* (Aug. 21, 2025).
[5] Diana Moreno, "Foreign Workforce Dependence in U.S. Hospitality: A State to State Look," *Luxury Link,* (July 28, 2025).
[6] *Id.*
[7] *Nolte v. Cedars-Sinai Medical Center* (2015) 236 Cal.App.4th 1401, 1407, internal citations and nested quotation marks omitted.

$2,500.[8] While private plaintiffs who have suffered injury in fact and lost money because of unfair competition may bring a limited action for restitution and injunctive relief,[9] in practice, this bill would likely be enforced almost exclusively by public prosecutors.

According to the Author

Transparency is a cornerstone of public trust. AB 2721 ensures that hotels operating within our communities are open about any agreements with federal agencies, including ICE, so that the public is not left in the dark about how local spaces are being used. By establishing a clear, consistent statewide standard for disclosure, this measure promotes accountability, supports informed communities, and reinforces the principle that institutions serving the public must do so with honesty and openness.

Arguments in Support

UNITE HERE Local 11, sponsors of the bill, write in support:

> AB 2721 is a commonsense transparency measure. When hotels enter contracts or arrangements with federal law enforcement, workers, guests, and surrounding communities deserve clear notice. Hotels are not designed or regulated to function as detention spaces, yet these activities are occurring without public disclosure, creating confusion, fear, and unsafe conditions on site.
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> For our members, this is not abstract. Our members have been on the frontlines raising serious concerns about the presence of federal agents in and around hotel properties, including the risk of escalating enforcement activity, protests, and unsafe conditions that no hospitality worker should be forced to navigate while simply doing their job. Workers should not have to choose between their paycheck and their safety.
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> […]
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> AB 2721 ensures that no worker would have to walk into their workplace in the dark about federal law enforcement presence. That lack of transparency undermines safety, dignity, and trust. For these reasons, UNITE HERE Local 11 respectfully urges an AYE vote on AB 2721.

Arguments in Opposition

The California Hotel & Lodging Association writes in opposition:

> To safeguard our guests and staff, hotels go to great lengths to protect guest identity and the details of their stays. Assembly Bill 2721 would erode that protection and set a precedent whereby a guest's right to privacy is implicated when they hold a certain title or position. On a fundamental level, we disagree with this perspective and oppose this measure because of the repercussions it will have not only in California, but in other states with different perspectives that will follow once a precedent is set. The hotel community recognizes we hold an important role when it comes to privacy, and we take that role seriously - a guest's right to privacy must be preserved.

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[8] Bus. & Prof. Code, § 17200 *et seq*.
[9] Bus. & Prof. Code § 17203.

Under this measure, hotels are held liable if they fail to identify a federal reservation or contract and post a notice on the premises that is conspicuous for workers and guests. This presumes, firstly, that the hotel can identify every interaction with federal employees.

There are 30+ travel management companies (TMCs) who are approved by the federal government for booking hotel rooms. Federal employees may use these channels, or they may make reservations using traditional online travel agencies (OTAs), or they can book directly with a hotel. While TMCs and OTAs can provide some information, they can only provide what they are given. In the event of disclosure of a stay by a hotel, it is likely that federal staff traveling to California will simply stop providing that information or will adjust their contracting practices to include a prohibition against disclosure of the information.

[…]

If a hotel seeks to implement controls during the check-in process to identify federal bookings, it is likely to place hotel employees in potential conflict during that process. For example, federal employees who sought not to be identified during the booking process will likely continue their attempts to avoid identification. This creates an adversarial situation where a front desk employee may be forced to act as inquisitor to a group of suspected federal employees. Nobody wants this - our employees do not sign up for this.

Alternatively, if the suspected persons are not federal employees, but the employee suspects they are and pressures them or refuses service, the hotel risks discrimination litigation at worst and poor reviews at best. This bill seeks to regulate federal agencies by placing an impossible requirement on hotels and our employees. As such, we oppose any proposal which would place employees in harms way.

FISCAL COMMENTS

According to both Appropriations Committees:

1) Costs (Unfair Competition Law Fund) of an unknown but potentially significant amount to the Department of Justice (DOJ) to bring enforcement actions as authorized by this bill. Actual costs will depend on the number of enforcement actions pursued by DOJ and the amount of additional work created by each action, but costs may be in the hundreds of thousands of dollars annually. It is unclear to the committee how many hotels — and thus how many potential enforcement actions — would fall within the scope of this bill.

2) Cost pressures (Trial Court Trust Fund, General Fund) of an unknown but potentially significant amount to the courts to adjudicate any additional filings. Actual costs will depend on the number of cases filed and the amount of court time needed to resolve each case. It generally costs approximately $1,000 to operate a courtroom for one hour. Although courts are not funded on the basis of workload, increased pressure on the Trial Court Trust Fund may create a demand for increased funding for courts from the General Fund. The state budget provides annual General Fund backfills to the Trial Court Trust Fund to offset revenue reductions, totaling approximately $117.3 million in 2025-26.

VOTES

ASM PRIVACY AND CONSUMER PROTECTION: 9-4-2
YES: Bauer-Kahan, Bryan, Irwin, Lowenthal, Ortega, Pellerin, Ward, Wicks, Wilson
NO: Macedo, DeMaio, Hoover, Patterson
ABS, ABST OR NV: McKinnor, Petrie-Norris

ASM APPROPRIATIONS: 11-4-0
YES: Wicks, Aguiar-Curry, Calderon, Caloza, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache
NO: Hoover, Dixon, Ta, Tangipa

ASSEMBLY FLOOR: 52-20-8
YES: Addis, Aguiar-Curry, Ahrens, Alvarez, Arambula, Ávila Farías, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Connolly, Elhawary, Fong, Gabriel, Garcia, Gipson, Mark González, Haney, Harabedian, Hart, Irwin, Jackson, Kalra, Lee, Lowenthal, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Pellerin, Ramos, Ransom, Michelle Rodriguez, Rogers, Blanca Rubio, Schultz, Sharp-Collins, Solache, Soria, Stefani, Valencia, Ward, Wicks, Wilson, Zbur, Rivas
NO: Alanis, Castillo, Chen, Davies, DeMaio, Dixon, Ellis, Flora, Gallagher, Jeff Gonzalez, Hadwick, Hoover, Johnson, Lackey, Macedo, Patterson, Sanchez, Ta, Tangipa, Wallis
ABS, ABST OR NV: Bains, Krell, McKinnor, Patel, Petrie-Norris, Quirk-Silva, Celeste Rodriguez, Schiavo

SENATE FLOOR: 29-11-0
YES: Allen, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Cortese, Durazo, Gonzalez, Grayson, Laird, Limón, McGuire, McNerney, Menjivar, Padilla, Pérez, Reyes, Richardson, Rubio, Smallwood-Cuevas, Stern, Umberg, Wahab, Weber Pierson, Wiener
NO: Alvarado-Gil, Choi, Dahle, Grove, Hurtado, Jones, Niello, Ochoa Bogh, Seyarto, Strickland, Valladares

ASSEMBLY FLOOR: 57-19-3
YES: Addis, Aguiar-Curry, Ahrens, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Connolly, Elhawary, Fong, Gabriel, Garcia, Gipson, Mark González, Haney, Harabedian, Hart, Irwin, Jackson, Kalra, Lee, Lowenthal, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Valencia, Ward, Wicks, Zbur, Rivas
NO: Alanis, Castillo, Chen, Davies, DeMaio, Dixon, Ellis, Flora, Jeff Gonzalez, Hadwick, Hoover, Johnson, Lackey, Macedo, Patterson, Sanchez, Ta, Tangipa, Wallis
ABS, ABST OR NV: Krell, McKinnor, Wilson

UPDATED

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CONSULTANT: Kate Davis / Julie Salley / P. & C.P. / (916) 319-2200 FN: 0004660