

## SENATE THIRD READING

STR Bill Id:SB 276 Author:(Wiener)

As Amended Ver:July 17, 2025

2/3 vote. Urgency

**SUMMARY**

Allows, until January 1, 2031, the City and County of San Francisco (San Francisco) to adopt an ordinance requiring a permit for the sale on public property of merchandise that San Francisco has determined is a common target of retail theft.

**Major Provisions**

- 1) Allows, until January 1, 2031, San Francisco to adopt an ordinance requiring a permit for the sale, on public property, including public streets or sidewalks, of merchandise that San Francisco has determined is a common target of retail theft. Provides that "merchandise" does not include either of the following:
  - a) Food items that are prepared for sale onsite.
  - b) A prepackaged food item, including a bag of chips or a nonalcoholic beverage, that is sold along with a food item that is prepared for sale onsite.
- 2) Requires, if San Francisco passes an ordinance pursuant this bill's provisions, the ordinance to include specified findings supported by substantial evidence in the record, and allows the ordinance to remain in effect for up to three years, subject to annual approval of the written findings by resolution of the San Francisco Board of Supervisors, and subject to the filing of an annual report as specified in this bill.
- 3) Requires an ordinance adopted pursuant to this bill to identify a local permitting agency, separate from the San Francisco Police Department (SFPD), that shall be responsible for administering a permit system and that shall adopt rules and procedures for administering the permit system, and issue permits to persons who are able to demonstrate that they obtained the merchandise lawfully and not through theft or extortion.
- 4) Allows an ordinance adopted pursuant to this bill to provide that selling merchandise without a permit is punishable as follows:
  - a) For a first violation, the permitting agency shall issue a written warning.
  - b) Second and third violations within 18 months of the time of the first violation shall be punishable as infractions.
  - c) Subsequent violations after three prior violations, and that occur within 18 months of the time of the first violation, shall be punishable as infractions or misdemeanors by imprisonment in the county jail not to exceed six months, or by both that imprisonment and a fine.
- 5) Provides that a violation of an ordinance adopted pursuant to this bill resulting in a misdemeanor or infraction shall be eligible for dismissal, as specified.

- 6) Requires, at least 60 calendar days prior to the enactment of an ordinance pursuant to this bill, San Francisco to hold one or more workshops to inform the development of the ordinance by soliciting feedback from the vendor community, as specified.
- 7) Requires, for at least 30 calendar days prior to the enactment of an ordinance pursuant to this bill, San Francisco to administer a public information campaign, provide trainings and workshops, and conduct street-level outreach, as specified.
- 8) Allows San Francisco to charge a fee for the cost of issuing a permit, not to exceed the reasonable regulatory costs of implementing this bill. This fee shall not exceed \$25 for applicants that meet either of the following conditions:
  - a) The applicant earns less than 200% of the area median income.
  - b) The applicant is a current enrollee in, or recipient of, CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income, the State Supplementary Payment Program, the California Special Supplemental Nutrition Program for Women, Infants, and Children, the California Alternate Rates for Energy (CARE) program, as specified, or the Family Electric Rate Assistance program, as specified.
- 9) Requires the permitting agency to accept a California driver's license or identification number, an individual taxpayer identification number, or a municipal identification number in lieu of a social security number if the permitting agency otherwise requires a social security number for the issuance of a permit or business license, and the number collected shall not be available to the public for inspection, shall be confidential, and shall not be disclosed except as required to administer the permit or licensure program or to comply with a state law or state or federal court order.
- 10) Prohibits the permitting agency from:
  - a) Inquiring into or collecting information about an individual's immigration or citizenship status or place of birth.
  - b) Inquiring into or collecting information or documentation regarding an individual's criminal history, or requiring an applicant to submit fingerprints or a LiveScan, or submit to a background check, as part of an application for a permit or valid business license for sidewalk vending.
- 11) Requires, if an ordinance is adopted pursuant to this bill, the permitting agency to, by January 1 of each year, submit a report with specified contents to the San Francisco Board of Supervisors and to the relevant committees of the Legislature.
- 12) Contains an urgency clause.

## COMMENTS

*State and Local Regulation of Sidewalk Vending.* Until 2019, cities and counties were able to regulate or ban sidewalk vending as they saw fit. Due to concerns that criminal citations for sidewalk vendors could enable deportation by the federal government, and to legalize the activity of sidewalk vending as a means of economic support for immigrant communities, the Legislature

enacted SB 946 (Lara), Chapter 459, Statutes of 2018. SB 946 prohibited local governments from banning sidewalk vending, prohibited violations from being punishable as an infraction or misdemeanor, and established other parameters for local sidewalk vending ordinances.

Specifically, SB 946 prohibited cities and counties from regulating sidewalk vendors unless they adopt a regulatory framework consistent with the bill's provisions. Among other things, SB 946 prohibited a city or county from requiring sidewalk vendors to operate within specific parts of the public right-of-way, unless that restriction is directly related to objective health, safety, or welfare concerns. Local authorities can neither restrict the overall number of sidewalk vendors, nor require sidewalk vendors to operate only in a designated area, unless these restrictions are directly related to health, safety, or welfare concerns.

Cities and counties can also prohibit sidewalk vendors near farmers markets, swap meets, and special events, and they can prohibit stationary vendors (but not roaming vendors) in certain circumstances in parks and exclusively residential zones.

SB 946 allowed cities and counties to adopt additional requirements regulating the time, place, and manner of sidewalk vending if the requirements are directly related to objective health, safety, or welfare concerns, such as requirements to:

- a) Limit the hours of operation of sidewalk vendors in a manner that is not unduly restrictive.
- b) Maintain sanitary conditions.
- c) Obtain a local business license and a valid seller's permit from the California Department of Tax and Fee Administration.
- d) Require compliance with other generally applicable laws.

*Penalties Under SB 946.* SB 946 specifically prohibited criminal penalties for violations of sidewalk vending ordinances and instead established an administrative fine structure. The bill allowed a local authority with a compliant sidewalk vending program to impose an administrative penalty of \$100 for a first violation of the local sidewalk vending ordinance, \$200 for a second violation within one year of the first violation, and \$300 for each additional violation within one year of the first violation. Administrative penalties for vending without a permit follow a similar structure and are \$250, \$500, and \$1,000, respectively.

An adjudicator of these fines must take into account the ability of the violator to pay the fine, and a violator may request an ability to pay determination at any point. A local authority must accept 20% of the fine in full satisfaction if the violator earns less than 125% of the federal poverty line. SB 946 prohibited local authorities from imposing any additional financial penalties, prohibited penalties for violations of sidewalk vending from being infractions or misdemeanors, and prohibited sidewalk vendors from being subject to arrest, except where permitted under other laws.

*Enforcement Challenges for San Francisco.* In November of 2023, San Francisco instituted a ban on vending within a 300-foot radius of the exterior boundaries of the Mission Street Corridor. Public Works Order No: 208803, which went into effect on November 27, 2023, noted a number of items, including the following:

- a) The Mission Police Station routinely receives community complaints about illegal Vending, including Vending without proper permits and Vending stolen goods, and other associated criminal and nuisance activities along Mission Street between 14th and Cesar Chavez Streets (the "Mission Street Corridor"), which pose objective health, safety, and welfare concerns to residents and visitors within the Mission District.
- b) Between October 10, 2022, through October 10, 2023, the Police Department received 580 calls for service or on-viewed incidents for the addresses on Mission Street, and the three most numerous types of calls pertained to assault and battery, petty theft, and vandalism.
- c) Illegal Vending, and concerns that illegal Vending has caused the street conditions of the Mission Street Corridor to be worse than ever, are common topics of discussion at community meetings, and the community members who attend these meetings routinely call for and support greater police action to make the Mission Street Corridor safer and more accessible for pedestrians.
- d) Mission Police Station has experienced elevated numbers of calls for service associated with the Mission Street Corridor that can be attributed in part to illegal purchasing and Vending (or "fencing") of stolen property.
- e) Illegal vending activity along the Mission Street Corridor is associated with the fencing of suspected stolen property, and on nearly a daily basis, Police officers have observed the fencing of suspected stolen property on or about the Mission Street Corridor.
- f) There have been arrests along the Mission Street Corridor for stolen property offenses where the property stolen from businesses such as Walgreens, CVS, REI, Lululemon, and Victoria's Secret in other parts of the City have been brought to the Mission Street Corridor for fencing as part of organized retail theft operations.
- g) The Police Department's investigatory units have conducted numerous anti-fencing operations that have resulted in the recovery and seizure of large amounts of stolen property, often valued in the tens of thousands of dollars per seizure.
- h) A high concentration of pedestrians and Vendors on sidewalks fronting BART plazas presents potential threats to public health, safety, and welfare by obstructing pedestrian and wheelchair ingress and egress, particularly for individuals with disabilities.
- i) These illegal activities threaten and negatively affect the health, safety, and welfare of pedestrians, Vendors, BART riders, and City staff, including Public Works staff who have consistently and repeatedly encountered vandalism of City vehicles, threats of physical violence and bodily harm, actual physical violence and bodily harm, verbal insults, and intimidation, and one such incident resulted in the arrest of an unpermitted Vendor who had threatened to kill a City employee who was discharging his duties as a street vending inspector, and the issuance of a protective order from the San Francisco Superior Court, which requires the unpermitted Vendor to stay away from the City employee whom the unpermitted Vendor had threatened.
- j) The high concentration of Vending activities and illegal activities in the areas around the BART plazas has led to unsanitary sidewalk conditions and sidewalk obstructions in violation of the Regulations and the Good Neighbor Policies and the extensive

noncompliance with the Vending ordinance, Regulations, and policies has rendered enforcement of such laws, Regulations, and policies infeasible despite the Department's yearlong effort to send street inspectors to such areas on a weekly basis, which efforts have been hindered by the limited number of inspectors available to perform street inspections due in part to inspectors' belief that their health, safety, and welfare may be threatened by Vendors.

- k) For more than 12 months, the Department has routinely encountered unpermitted Vendors occupying sidewalks and BART property on or about the Mission Street Corridor, and during this time, the Department has pursued vigorous and sustained enforcement of Article 5.9 of the Public Works Code, the Regulations, and the Good Neighbor Policies, but sidewalk conditions have not improved significantly.

### **According to the Author**

San Francisco's vibrant culture of street vending supports many families and showcases the diversity of our communities. But that cultural richness is threatened when bad actors are allowed to openly sell stolen goods on our streets, often pushing out legitimate street vendors and undermining public safety.

SB 276 recognizes that a narrowly tailored, surgical response, which accounts for the realities and benefits of these local economies, is needed in order to adequately address the issue of illegal fencing. This bill does so by allowing San Francisco to create additional permitting requirements to sell items they have determined are commonly associated with retail theft and to give law enforcement the tools to hold bad actors accountable.

### **Arguments in Support**

Daniel Lurie, Mayor of the City and County of San Francisco and sponsor of this bill, writes, "San Francisco has a flourishing network of vendors and merchants, who contribute significantly to our City's vibrancy. I am committed to uplifting these critical communities. Unfortunately, entirely separate from our vendors and merchants exists a number of people who are taking advantage of our state's recent decriminalization of vending and selling stolen items on the street. This jeopardizes our City's vendors and merchants, who cannot compete with the fencers' prices, and endangers our whole community by reducing safety. Not only that, but our City's workers have been threatened and harmed by those engaging in fencing activity.

"SB 276 (Wiener) would help us support our vendors and merchants while simultaneously addressing fencing. This legislation would enable the City and County of San Francisco to establish a list of frequently stolen items. If someone wants to sell items on that list, they would need a permit that includes proof of purchase. The first violation someone receives is a written warning, second and third are infractions, and subsequent are either infractions or misdemeanors.

"With this legislation, the City will be able to better address the illegal resale of stolen goods, while simultaneously uplifting our community's vital vendors and merchants. The bill takes a surgical approach to separate the vendors and merchants who are working hard to support their families from the bad actors who are taking advantage of the existing system and selling stolen goods. This bill will increase safety for everyone in San Francisco."

### Arguments in Opposition

The American Civil Liberties Union California Action writes, "This legislation is both unnecessary and harmful. If the concern is the sale of stolen goods, it's important to note that California law already criminalizes such conduct under Penal Code Section 496.

"Moreover, the punitive measures proposed in SB 276 will disproportionately impact vulnerable communities—particularly low-income individuals and immigrants—who may resort to street vending as a primary means of survival. San Francisco's complex and expensive permitting system already presents significant barriers to legal vending. Criminalizing unpermitted vending risks worsening economic hardship and deepening existing inequities.

"A misdemeanor conviction can have lasting consequences: it may jeopardize employment, housing, and family stability. Rather than reducing harm, SB 276 would push already marginalized individuals into more precarious situations, increasing the risk of recidivism and entrenching cycles of poverty and incarceration.

"Instead of re-criminalizing street vending, we urge investment in anti-poverty strategies—such as food, housing, and employment assistance—as well as support for individuals navigating the vending permit process."

### FISCAL COMMENTS

None

### VOTES

#### SENATE FLOOR: 39-0-1

**YES:** Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Grove, Hurtado, Jones, Laird, Limón, McGuire, McNeerney, Menjivar, Niello, Ochoa Bogh, Padilla, Pérez, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener

**ABS, ABST OR NV:** Reyes

#### ASM LOCAL GOVERNMENT: 10-0-0

**YES:** Carrillo, Ta, Hoover, Pacheco, Ramos, Ransom, Blanca Rubio, Stefani, Ward, Wilson

#### ASM PUBLIC SAFETY: 9-0-0

**YES:** Schultz, Alanis, Mark González, Haney, Harabedian, Lackey, Nguyen, Ramos, Sharp-Collins

### UPDATED

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