### SENATE RULES COMMITTEE

Office of Senate Floor Analyses

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### **UNFINISHED BUSINESS**

Bill No: SB 276

Author: Wiener (D), et al. Amended: 7/17/25 in Assembly

Vote: 27 - Urgency

SENATE LOCAL GOVERNMENT COMMITTEE: 7-0, 3/19/25 AYES: Durazo, Choi, Arreguín, Cabaldon, Laird, Seyarto, Wiener

SENATE PUBLIC SAFETY COMMITTEE: 6-0, 4/22/25 AYES: Arreguín, Seyarto, Caballero, Gonzalez, Pérez, Wiener

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

SENATE FLOOR: 39-0, 5/27/25

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

ASSEMBLY FLOOR: 65-2, 8/28/25 - See last page for vote

**SUBJECT:** City and County of San Francisco: merchandising sales

**SOURCE:** San Francisco Mayor Daniel Lurie

**DIGEST:** This bill allows, until January 1, 2031, the City and County of San Francisco to adopt an ordinance requiring a permit for the sale on public property of merchandise that it has determined is a common target of retail theft.

Assembly Amendments of 7/17/25 require multiple violations of the law to occur within 18 months before being eligible to be punishable as an infraction or misdemeanor.

#### **ANALYSIS:**

# Existing law:

- 1) Allows, under the California Constitution, a city or county to "make and enforce within its limits, all local, police, sanitary and other ordinances and regulations not in conflict with general laws, known as the police power."
- 2) Regulates businesses that sell food under the California Retail Food Code (CalCode).
- 3) Prohibits local authorities—cities and counties—from regulating sidewalk vendors except if they adopt a regulatory framework consistent with state requirements, as follows SB 946 (Lara, Chapter 459, Statutes of 2018):
  - a) Prohibits a city or county from requiring sidewalk vendors to operate within specific parts of public right-of-way except where that restriction is directly related to objective health, safety, or welfare concerns. Local authorities can neither restrict the overall number of sidewalk vendors, nor restrict sidewalk vendors to operate only in a designated area, unless these restrictions are directly related to health, safety or welfare concerns.
  - b) Allows cities and counties to 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. Sidewalk vending in parks may be further restricted if the requirements are any of the following:
    - i) Directly related to objective health, safety, or welfare concerns;
    - ii) Necessary to ensure the public's use and enjoyment of natural resources and recreational opportunities; or
    - iii) Necessary to prevent an undue concentration of commercial activity that unreasonably interferes with the scenic and natural character of the park.
  - c) Allows 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, as specified.
  - d) Prohibits criminal penalties for violations of sidewalk vending ordinances and instead establishes an administrative fine structure, as specified.

- e) Requires an adjudicator of these fines to take into account the ability of the violator to pay the fine and allows a violator to 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.
- f) Prohibits any local authorities from imposing any additional financial penalties, prohibits penalties for violations of sidewalk vending from being infractions or misdemeanors, and prohibits sidewalk vendors from being subject to arrest except where permitted under law.
- g) Permits cities and counties to require compliance with any other licensing and permitting required by law, and specifically states that nothing affects the applicability of the CalCode to a vendor who sells food.
- 4) Establishes, pursuant to SB 972 (Gonzalez, Chapter 489, Statutes of 2022), a new retail food facility type under CalCode, referred to as a "compact mobile food operation" (CMFO) for pushcarts or stands, and:
  - a) Exempts CMFOs from several retail food code law provisions, including certain sink requirements; and
  - b) Prohibits criminal penalties from also applying to CMFOs, instead limiting code enforcement to administrative penalties.
- 5) Prohibits various forms of theft, including organized retail theft, which generally entails group activities to steal merchandise or purchase stolen merchandise. Various criminal penalties apply to violations of theft, including misdemeanors or felonies punishable by imprisonment, depending on the severity of the crime.

### This bill:

- 1) Allows, notwithstanding sidewalk vending law, the City and County of San Francisco (the City) to adopt an ordinance requiring a permit for the sale on public property of merchandise that it has determined is a common target of retail theft.
- 2) Excludes specified food items from this merchandise.
- 3) Specifies various requirements for an ordinance adopted under this bill, as follows:

- a) If the City passes an ordinance regulating the sale of this merchandise, the ordinance must include specified written findings supported by substantial evidence in the record.
- b) The ordinance must identify a local permitting agency, separate from the San Francisco Police Department, that is responsible for administering a permit system, which must adopt rules and procedures and issue permits to persons who are able to demonstrate that they obtained the merchandise lawfully and not through theft or extortion.
- c) An ordinance adopted under SB 276 can remain in effect for up to three years, but must be annually re-approved by resolution of the Board of Supervisors following presentation and distribution of an annual report required by this bill, as specified.
- 4) Allows the City to charge a fee to cover the cost of issuing a permit, but limits the fee to \$25 for applicants that earn less than 200% of the area median income or is an enrollee or recipient of specified public assistance programs.
- 5) Prohibits collection of specified information from permittees.
- 6) Requires the City to hold one or more workshops to inform the development of the ordinance by soliciting feedback from the vendor community at least 60 calendar days before enacting an ordinance. The workshop must solicit input on the proposed ordinance, including, but not limited to, input regarding the methods by which street vendors currently acquire goods and feasible methods by which street vendors can keep records.
- 7) Requires the City to administer a public information campaign for at least 30 calendar days prior to enacting an ordinance. SB 276 specifies the languages, methods of outreach, and required content of the campaign.
- 8) Establishes penalties for selling merchandise that is a common target of retail theft without a permit, as follows:
  - a) For a first violation, a written warning;
  - b) For a second and third violation within 18 months of the first violation, an infraction; and
  - c) For subsequent violations within 18 months of the first violation, an infraction or misdemeanor by imprisonment in the county jail not to exceed six months, or by both that imprisonment and a fine.

- 9) Provides that the infractions and misdemeanors are eligible for dismissal pursuant to existing law, and that this bill must not be construed to affect the applicability of other state or local laws, including, but not limited to, laws prohibiting larceny.
- 10) Sunsets on January 1, 2031.

## **Background**

Retail theft in San Francisco. One jurisdiction that has seen a significant increase in retail theft since 2014 is the City and County of San Francisco: a 34% increase in commercial burglary and 40% increase in shoplifting. In November of 2023, San Francisco instituted a ban on street vending within a 300-foot radius of the exterior boundaries of the Mission Street Corridor. Public Works Order No: 208803, cited numerous issues with illegal vending, including, that illegal vending activity along the Mission Street Corridor that is associated with the fencing of suspected stolen property, observed on nearly a daily basis.

San Francisco Mayor Daniel Lurie wants the City to be able to use additional tools to address illegal vending issues.

#### **Comments**

Purpose of this bill. 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."

Two steps forward, one step back? For decades, street vendors have fought for the ability to legally participate in the economy so that they can earn a living and respect. The passage of SB 946 in 2018 and SB 972 four years later represented two significant gains for street vendors by letting vendors operate statewide without fear that they would be treated as criminals. These laws legitimized sidewalk vendors as part of the formal economy by allowing them to operate more broadly in communities and ensuring local agencies could not criminalize the act

of street vending. SB 946 prohibited criminal sanctions simply for the activity of street vending because of concerns it could lead to deportation under the first Trump presidency, as well as other serious consequences for vendors. SB 276 scales back the protections for street vendors by again subjecting them to criminal penalties in San Francisco. Additionally, SB 276 does not require proof that an individual is actually selling stolen merchandise—it criminalizes the act of street vending without a permit, potentially associating the simple act of vending with criminal activity. The Legislature may wish to consider whether SB 276 is consistent with previous efforts to uplift and protect the street vendor community.

## Related/Prior legislation

SB 635 (Durazo) of the current legislative session prohibits a local agency that regulates sidewalk vendors or CMFOs from taking certain actions, including to provide voluntary consent to an immigration enforcement agent, collecting information about an individual's immigration or citizenship status, place of birth, individual criminal history, or requiring an applicant to submit to a background check or similar procedures, as part of an application for a permit or business license. SB 635 is pending in the Senate Appropriations Committee.

The Legislature has also considered three efforts in recent years to expand local authority related to street vending:

SB 925 (Wiener) of 2024 contained many provisions similar to SB 276, but with fewer guardrails for vendors, such as SB 276's provisions to mandate a written warning for a first offense, prohibit collection of citizenship or criminal background data from vendors, limit fees to \$25 for many vendors, and require annual reports to the Legislature and the Board of Supervisors. SB 925 died in the Assembly Appropriations Committee.

AB 2791 (Wilson) of 2023 would have allowed local governments to prohibit street vending near agricultural fairs. The bill died in the Senate Local Government Committee.

SB 1290 (Allen) of 2022 would have allowed a local authority to impose the full amount of fines for the fourth or subsequent violations of sidewalk vending ordinances without regard of the person's ability to pay. SB 1290 was held in the Assembly Appropriations Committee.

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

SUPPORT: (Verified 8/28/25)

Mayor Daniel Lurie, City and County of San Francisco (source)

Bay Area Council

California Retailers Association

Clecha

Mission Merchant's Association

**Mnc Inspiring Success** 

San Francisco Bay Area Rapid Transit District

University of California, College of The Law, San Francisco

**OPPOSITION:** (Verified 8/28/25)

**ACLU California Action** 

All of US or None (HQ)

California Alliance for Youth and Community Justice

Courage California

Legal Services for Prisoners With Children

San Francisco Public Defender

San Francisco Public Defender's Office

The W. Haywood Burns Institute

Viet Voices

ASSEMBLY FLOOR: 65-2, 8/28/25

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Boerner, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, Ellis, Flora, Fong, Gabriel, Garcia, Gipson, Jeff Gonzalez, Mark González, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Wallis, Ward, Wicks, Wilson, Rivas

NOES: DeMaio, Tangipa

NO VOTE RECORDED: Alvarez, Berman, Bonta, Bryan, Dixon, Elhawary, Gallagher, Hadwick, Kalra, Ortega, Valencia, Zbur

Prepared by: Anton Favorini-Csorba / L. GOV. / (916) 651-4119 8/28/25 16:49:59