

Date of Hearing: August 5, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

SB 994 (Cabaldon) – As Amended June 22, 2026

Policy Committee:	Judiciary	Vote:	12 - 0
	Local Government		9 - 0

Urgency: No State Mandated Local Program: Yes Reimbursable: Yes

SUMMARY:

This bill prohibits a local agency official, when acting in their official capacity, from entering into a nondisclosure agreement (NDA) relating to public business that precludes the local official's ability to share information with fellow local public officials. The bill provides similar prohibitions for an employee of a local agency or local agency official.

Specifically, this bill:

- 1) Prohibits a local agency official acting in their official capacity from entering into or requesting that another individual enter into an NDA relating to public business that precludes their ability to share information with fellow local agency officials serving on the same council, board, commission, district, or agency.
- 2) Requires a local agency official in violation of the above provision be disqualified from voting on, participating in deliberations on, or attempting to influence decisions related to the subject matter of the NDA, and to disclose the existence of the NDA, but not its contents to the extent that disclosure of the contents would violate the agreement, and to recuse themselves from related matters, and clarifies these provisions also apply to a local agency official who entered into an NDA before January 1, 2027.
- 3) Provides that any NDA violating item 1, above, entered into on or after January 1, 2027, is void and unenforceable.
- 4) Prohibits an employee of a local agency or a local agency official acting in their official capacity from entering into, or request that another individual enter into, an NDA relating to public business that precludes the employee's or official's ability to share information with the local agency official who they serve or the governing body of the local agency that employs them.
- 5) Requires an employee or local agency official in violation of item 4, above, to disclose the existence of the NDA, but not its content to the extent that disclosure of the contents would violate the agreement, and to recuse themselves from related matters, and clarifies these provisions also apply to any local agency official who entered into an NDA before January 1, 2027.
- 6) Provides that any NDA violating item 4, above, entered into on or after January 1, 2027, is void and unenforceable.

- 7) Provides this bill does not apply to an NDA authorized by a vote of the local agency's governing body, with all members concurring, before the agreement's execution.

FISCAL EFFECT:

No state costs. Administrative costs to local agencies for compliance and legal review are likely minor, but are potentially reimbursable by the state, subject to a determination by the Commission on State Mandates, should a local agency submit a claim.

COMMENTS:

- 1) **Purpose.** According to the author:

The act of collective deliberation based on information in the public record is the foundation of representative government. That responsibility is undermined when officials sign NDAs that prevent them from sharing information with the very governing body they serve, the very governing board vested with public authority. [This bill] extends to local government the same principle the Legislature adopted for itself in 2025. No elected or appointed official, nor their staff, should have a legally enforceable monopoly on information that is not available to their fellow members; such NDAs break the chain of democratic legitimacy from the people to the officials they elect.

This bill has the support of numerous “good-government” and non-profit organizations and has no known opposition.

- 2) **Background.** An NDA is a contractual provision that requires parties to keep specified information confidential and generally prohibits disclosure to individuals outside the agreement. An NDA may provide for contract damages if a party shares information in violation of the NDA. Traditionally, these agreements are used to protect sensitive and confidential information, including trade secrets, proprietary information, and negotiation tactics.

Seeking to ensure NDAs do not shield legislative deliberations, in 2025, the Legislature enacted AB 1370 (Patterson), Chapter 191, Statutes of 2025, to prohibit members and staff of the Legislature from entering into NDAs related to legislative negotiations. This year, AB 1652 seeks to extend the prohibitions in AB 1370 to executive branch officials regarding the negotiation of legislation or regulations. AB 1652 is pending in the Senate Committee on Appropriations.

This bill further builds on the efforts of SB 1370 by prohibiting the use of NDAs by local government officials and staff when acting in their official capacity on public business. The bill requires a public official to disclose previously signed NDAs, and mandates recusal on matters subject to the agreement, while simultaneously banning new NDAs starting in January 2027.